

# 2025 ANNUAL EVALUATION REVIEW

SUPPORT FOR REGIONAL  
INITIATIVES AND  
PUBLIC GOODS



INTERNAL

# 2025 Annual Evaluation Review

Support for Regional Initiatives  
and Public Goods

March 2025

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## NOTE

In this report, "\$" refers to United States dollars.

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# Abbreviations

ADB	–	Asian Development Bank
AER	–	Annual Evaluation Review
AFNR	–	agriculture, food, nature, and rural development
ASEAN	–	Association of Southeast Asian Nations
BIMP-EAGA	–	Brunei Darussalam–Indonesia–Malaysia–Philippines East ASEAN Growth Area
BIMSTEC	–	Bay of Bengal Initiative for Multisectoral Technical and Economic Cooperation
CAREC	–	Central Asia Regional Economic Cooperation
COVID-19	–	coronavirus disease
CPRO	–	COVID-19 Pandemic Response Option
CPS	–	country partnership strategy
CY	–	calendar year
DMC	–	developing member country
DMF	–	design and monitoring framework
FCAS	–	fragile and conflict-affected situations
FIL	–	financial intermediation loan
GMS	–	Greater Mekong Subregion
ICT	–	information and communication technology
IED	–	Independent Evaluation Department
IMT-GT	–	Indonesia–Malaysia–Thailand Growth Triangle
MFF	–	multitranche financing facility
MTR	–	midterm review
NSO	–	nonsovereign operations
OP	–	operational priority
PBL	–	policy-based lending
PEF	–	private equity fund
PIF	–	Pacific Islands Forum
PRC	–	People’s Republic of China
PSM	–	public sector management
RBL	–	results-based lending
RCI	–	regional cooperation and integration
RPG	–	regional public good
RY	–	reporting year
SAARC	–	South Asian Association for Regional Cooperation
SASEC	–	South Asia Subregional Economic Cooperation
SIDS	–	small island developing states
TA	–	technical assistance
TCR	–	technical assistance completion report
WUD	–	water and urban development
XARR	–	extended annual review report



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# Acknowledgments

This review was prepared by a team led by Hyun Son, Principal Evaluation Specialist of the Independent Evaluation Department (IED), Asian Development Bank (ADB). Houqi Hong, Principal Evaluation Specialist, led the preparation of the theme chapter. The report was developed under the guidance of Emmanuel Jimenez, Director General, and Andrew Brubaker, Director.

The review benefited from contributions by IED staff and consultants: Jennifer Albers, Michael Diza, Eduardo Dulay, Elizabeth Lat, Alice Martha Lee, Ernalyn Lising, Renato Lumin, Valerie Melo-Cabuang, Mark Leander Mendoza, Jonathaniel Principe, Charity Gay Ramos-Galacgac, Ma. Rizza Serrano, and Pradeep Srivastava.

The team is grateful for the valuable insights provided by ADB staff from headquarters and resident missions, as well as by members of sector and thematic groups. It received valuable feedback from the secretariats and selected country focal points of subregional initiatives.

The report benefited from peer review comments by Shahrokh Fardoust. Within IED, Srinivasan Palle Venkata, Senior Evaluation Specialist, provided valuable feedback on the draft report.

IED remains fully responsible for the report.

# Foreword

The 2025 Annual Evaluation Review summarizes the Asian Development Bank's (ADB) operational performance and effectiveness based on findings and evidence from the Independent Evaluation Department's (IED) work. At the project level, sovereign operations' success rates stagnated in 2022–2024, primarily due to infrastructure performance challenges, especially in complex financing structures where subnational capacities fall short. In contrast, nonsovereign operations remained relatively stable, although they are still at a lower level than sovereign operations. Legacy operations weighed on overall success rates in both the sovereign and nonsovereign portfolios. On a positive note, technical assistance has rebounded, thanks to the strategic deployment of digital platforms and robust regional partnerships.

This publication comes at a pivotal moment for Asia-Pacific. In a world marked by economic changes, technological innovations, and geopolitical shifts, the need for stronger regional integration has never been more urgent. This year's report features a thematic chapter "Elevating ADB Support for Regional Cooperation and Integration and Regional Public Goods," which delves into how ADB addresses the transboundary challenges increasingly shaping the development agenda across Asia and the Pacific.

ADB's regional cooperation and integration (RCI) strategies, anchored by three strategic pillars—connectivity, competitiveness, and regional public goods—have been relevant to the regional needs of Asia and the Pacific. ADB has made notable progress in investing in regional infrastructure connectivity. However, efforts to enhance regional competitiveness and deliver regional public goods have encountered significant obstacles, largely due to the complexities involved in cross-country collaboration which demand more intensive knowledge work, policy dialogue, and consensus-building across nations. The emerging RCI agenda calls for stronger coordination across ADB's organizational units, better incentives for both clients and staff, and increased resource allocation.

This report also discusses how ADB has been responding to the recommendations of previous independent evaluations. Management remains committed to implementing evaluation recommendations, drawing on their effective collaboration with IED. Concerted efforts drive significant institutional reforms in crucial areas such as organizational structure, sector frameworks, country programming, and knowledge management.



**Emmanuel Jimenez**  
Director General  
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# Executive Summary

The Annual Evaluation Review (AER) of the Independent Evaluation Department (IED) presents a retrospective analysis of performance trends across the Asian Development Bank (ADB) sovereign operations, nonsovereign operations (NSO), and technical assistance (TA) portfolios, as well as of the performance of its country programs.

The theme chapter for this year's AER examines ADB's regional cooperation and integration (RCI) agenda, including regional public goods (RPGs). The AER also provides an update on progress in implementing recommendations contained in IED's evaluations.

## ADB's Operational Performance

The AER synthesizes performance trends of the ADB portfolio using validated ratings to assess the achievement of project and program objectives, focusing on the cohort of IED validation reports completed in 2024. This year's AER also shows trends in sovereign and NSO performance by approval year to shed light on the effects of legacy operations on overall success. Additionally, it provides a variance analysis comparing self-assessment ratings with validation ratings.

### Sovereign Performance Has Not Shown Improvement

The sovereign success rate decreased from 70% in 2021–2023 to 68% in 2022–2024. The rate drops to 65% when COVID-19 Pandemic Response Option operations are excluded. This decline continues a longer-term trend. The significant annual decline of 2.3% in 2016–2024 was driven primarily by slumping infrastructure performance, which fell by nearly 4.0% annually.

Infrastructure performance was undermined by limited design readiness, arising from inadequate risk assessments, the weak technical and institutional capacity of executing and implementing agencies, and financial

management and procurement issues. The use of the multitranche financing facility also posed design and implementation challenges, particularly at the subnational level, where capacities and sustainability risks varied across implementing agencies.

Declining success rates in fragile- and conflict-affected situations (FCAS) and Group C countries (eligible only for ordinary capital resources) also weakened the overall success rate. Operations in FCAS continued to perform poorly due to severe capacity constraints in the countries. In Group C countries, the underperformance of operations in India and the People's Republic of China was also due to the limited capacity of local government agencies and this undermined the overall success rate of operations in these countries.

Sovereign projects did not advance ADB's RCI agenda either, particularly in promoting regional connectivity. Regional elements—such as enhancements of border crossing points and linking cross-border infrastructure improvements with trade facilitation reforms—were not adequately incorporated into project designs, which hampered their efforts to link economies.

Sovereign operations that performed well were characterized by the use of innovative financing modalities such as results-based lending and sector development programs. These enabled the successful delivery of investment components, implementation of policy reforms, and delivery of capacity-building support, especially in successful energy projects in South Asia, as well as in education interventions in general.

Despite this recent decline, the overall success rate in 2008–2020, by approval year, increased by 2.0% annually. Legacy operations in the energy sector and in multisector operations weighed on the overall success rate. These older operations had faced difficulties in introducing advanced technology and in identifying realistic scopes. By contrast, recent operations benefited from

engaging the private sector to pilot new technology and from ADB's long-term engagement in policy reforms.

### **Infrastructure and Financial Underperformance in Nonsovereign Operations**

The success rate of NSOs decreased slightly from 56% in 2021–2023 to 54% in 2022–2024, fueled by underperformance in infrastructure, financial institutions, and legacy private equity funds.

NSO projects that performed poorly were marred by design deficiencies such as design and monitoring framework indicators that did not properly measure the projects' contributions to private sector development, and by fiduciary challenges, including transparency issues in meeting ADB's reporting requirements. The effects of external shocks such as the pandemic and foreign exchange volatility compounded these design deficiencies. The same challenges were encountered in NSO infrastructure projects that aimed to foster RCI, resulting in mixed progress in advancing this agenda.

While legacy operations undermined the overall NSO success rate, they also provided crucial lessons on how ADB can recalibrate its ongoing and future NSO projects, so they achieve greater development effectiveness. In the assessment by approval year, NSO projects that fared well leveraged ADB's comparative advantage in energy infrastructure and improvements in ADB's screening and supervision processes. For instance, the significant increase in NSO success rates by 5.3% annually among approvals in 2009–2020 was partly driven by an upward trend in the performance of energy approvals in the period. These projects successfully pioneered renewable energy projects and helped spur further private sector engagement in this subsector in certain countries.

### **Digital Innovation and Regional Partnerships Drove Technical Assistance Performance**

TA success rates rebounded to 74% in 2023–2024, driven by improvements in efficiency and relevance. This improvement was enabled by the use of online platforms to deliver capacity-building interventions and from sourcing local

expertise. However, effectiveness continued to decline due to weaknesses in design and monitoring frameworks.

RCI-classified TA operations demonstrated strong efficiency performance through effective regional partnerships. These enabled better resource utilization through existing dissemination mechanisms and strong collaborative efforts among stakeholders across countries.

The findings underscored the importance of realistic project designs and robust monitoring systems. The success of digital innovations and regional partnerships provided a blueprint for future TA designs, particularly in capacity-building and knowledge-sharing initiatives.

### **Widened Variance Between Self-Assessed and Validated Ratings**

Self-assessed ratings show higher success rates compared to IED validations, with a noticeable gap observed in 2024. While the variance between self-assessed and validated success ratings for sovereign operations tends to change over time because of small samples, it has averaged around 14 percentage points in 2016–2023. There was a marked increase to 32 percentage points in 2024, mainly due to a notable rise in self-assessed success rates and downgrades in efficiency and sustainability. For nonsovereign operations, despite a slight overall decline of 0.4% annually and an average gap of 16 percentage points in 2016–2023, the variance increased by 31 percentage points in 2024, primarily reflecting downgrades in ADB additionality and development results.

### **Country Programs' Greater Effectiveness Drove Success but Results Frameworks Need Attention**

The success rate of country programs increased markedly from 57% in 2020–2022 to 94% in 2022–2024, with the programs' effectiveness rising from 57% to 88% and their efficiency improving from 56% to 69%. These improvements reflect the achievement of more target outcomes and increased operational efficiency through faster processing times and enhanced financial performance.



Despite the improved effectiveness of country programs, AER 2024 found that more needs to be done to strengthen midstream learning and midcourse corrections. The use of operational priority indicators in country partnership strategy (CPS) results frameworks to monitor progress, provides an additional layer of quality assurance, and enables midcourse revisions of CPS objectives and results, if necessary. However, the tension between standardized corporate indicators and country-specific indicators inhibits efforts to differentiate between contributions to country outcomes and support for the achievement of ADB internal priorities.

## ADB Support for Regional Cooperation and Integration and Public Goods

Development challenges are increasingly transcending borders in developing Asia. Climate change, pandemics, geopolitical tensions, and protectionism require cross-border responses that leverage regional engagements, in addition to country-focused support.

In response, other multilateral development banks and development partners are revising their priorities, including sharpening their focus on global public goods and RPGs, and updating their operational approaches to address market failures arising from transborder spillovers of costs and benefits.

Consistent with its founding charter, ADB has long been committed to RCI, which is central to addressing transnational issues and challenges. ADB's work to promote RCI, including RPGs, has been an important priority of ADB's overall strategies and was further emphasized and strengthened in the 2024 Midterm Review of Strategy 2030.

This year's theme chapter provides a synthesis review and analysis of ADB's RCI operations from 1 January 2012 to 30 June 2024. It identifies challenges and opportunities for ADB's RCI work, drawing on IED's recent evaluations of ADB support for the Central Asia Regional Economic Cooperation Program, Greater Mekong Subregion Economic Cooperation Program, and South Asia Subregional Economic Cooperation Program,

the three largest subregional programs in terms of both the number of ADB RCI operations approved and total ADB financing, as well as an assessment of other subregional programs and non-subregional RCI operations. The latter included standalone RCI investment and TA projects and support for knowledge-based platforms or forums with regional dimensions.

The review found that ADB RCI strategies have been consistent, adaptive, and responsive to the regional needs of Asia and the Pacific. The three strategic pillars of the ADB RCI agenda—connectivity, competitiveness, and RPGs—have been consistent over time, with the emphasis on RPGs increasing in recent years. The three largest RCI programs were aligned with ADB's overall RCI priorities but were also adapted to the needs of their respective subregions and member countries. There were no separate strategies for ADB support to other subregional programs, but ADB support for these programs mostly addressed their needs for enhanced connectivity and competitiveness and, to a lesser extent, for RPGs. ADB's non-subregional RCI interventions were aligned with organizational strategic priorities.

IED evaluations of the three largest subregional programs indicated that ADB support for these programs was most successful in improving regional connectivity but less successful in the competitiveness and RPGs pillars. A review of ADB support for other subregional programs and non-subregional RCI operations yielded a similar finding. There is no evidence that ADB support for other subregional programs has led to improved regional competitiveness, although it is valued by developing member countries. Through TA support for the Asian Bond Markets Initiative and other financial cooperation, ADB made important contributions to catalyzing financial and monetary cooperation to promote enhanced subregional macroeconomic and financial stability in Association of Southeast Asian Nations (ASEAN), Japan, the People's Republic of China, and the Republic of Korea. Most non-subregional RCI operations, including both investments and TA projects, however, lacked significant regional elements in their design and had limited regional effects. Nonsovereign RCI operations made a modest contribution to competitiveness by expanding regional trade and transactions. Efforts and results in RPGs were limited across all

categories of RCI operations. The effectiveness of RCI interventions was also diluted by gaps in proper project classification and weak monitoring of regional outcomes, which have hindered the achievement of significant RCI impact.

Unlike connectivity infrastructure, RCI interventions in competitiveness and RPGs often entail strong upstream and midstream knowledge work, extended policy dialog and consensus building across countries, and effective operational and technical guidance. They may sometimes be smaller investments with potentially longer gestation periods and require the adoption of a multidisciplinary approach. As indicated in ADB's Midterm Review of Strategy 2030, to promote the competitiveness and RPGs agenda, it is necessary to strengthen coordination across units and with multilateral development banks, improve incentives for both clients and staff, and increase resources for RCI.

ADB's existing institutional arrangements for the three largest subregional programs are an asset in supporting enhancements of ADB's RCI engagement. However, the emerging RCI agenda requires further strengthening of ADB internal governance of RCI operations. The review highlights three lessons relevant to ADB's pivot toward the new agenda as it continues implementing its new operating model: (i) enhanced contribution of sectoral and thematic expertise can aid the delivery of the new RCI agenda, (ii) addressing strategic gaps is critical for strengthening RCI operations and enhancing impacts in emerging priority areas, and (iii) fine tuning RCI classification and better results monitoring will lead to improved selection of

projects with stronger RCI dimensions and outcomes.

## Implementation of Independent Evaluation Department Recommendations

The acceptance rate of IED recommendations consistently exceeded 90% in calendar years (CY) 2019–2023. ADB Management fully accepted 93% of recommendations and partly accepted two recommendations in CY2024. Management's non-acceptance of some recommendations in CY2024 stemmed from concerns about the complexity of the issues; differences of opinion on the nature of the problem and potential solutions; challenges in implementation, including limited staff capacity to deliver what the recommendation required; and the budgetary implications of addressing the recommendations.

Seventy-five percent of the management action plans in reporting year (RY) 2024 were assessed relevant and specific. They were broadly aligned with IED recommendations and Management responses across selected operational areas, including strategic alignment and goal setting, data-driven decision-making, and programmatic and thematic approaches.

About 75% of the management action plans in RY2019–2024 were rated *fully implemented* or *largely implemented*, owing to the ongoing collaboration between Management and IED, the action plans' clear timelines, the availability of adequate resources, and the attention paid to crossing institutional barriers.



## CHAPTER 1

# Introduction

# Introduction

1. The Annual Evaluation Review (AER) of the Independent Evaluation Department (IED) presents a retrospective analysis of the results and development effectiveness of the Asian Development Bank (ADB) operations portfolio. The AER synthesizes trends in performance by assessing the achievement of ADB project and program objectives as reflected in IED-validated ratings. AERs also include a theme chapter that delves into a selected topic of strategic importance to ADB's results and performance, and a review of ADB Management's actions in response to IED recommendations.

2. This year's theme chapter looks at ADB's effectiveness in promoting regional initiatives through its RCI agenda. By assessing the performance of the three largest subregional programs alongside other regional initiatives, the review aims to uncover the challenges and opportunities facing ADB delivery mechanisms. At a time when demand for regional solutions to shared challenges is at an all-time high, these insights can be fed into work to strengthen ADB's approach to the emerging needs of the region.

3. The report is structured as follows. This chapter discusses the review's methodology, scope and limitations, and the rationale for the selection of the topic for the theme chapter. Chapter 2 assesses ADB's portfolio performance of completed sovereign operations, nonsovereign operations (NSO), technical assistance (TA), and country programs as reflected in IED-validated ratings. Chapter 3, the theme chapter, evaluates ADB's regional cooperation and integration (RCI) agenda, including regional public goods (RPGs). Chapter 4 reviews progress in Management's implementation of agreed actions in response to IED recommendations, as tracked through the Management Action Record System.

## A. Regional Cooperation and Public Goods in an Interconnected Asia and Pacific

4. ADB has long recognized that many development challenges in Asia and the Pacific require collaboration across national borders. This understanding has shaped ADB's mission, and in response it helped establish the Central Asia Regional Economic Cooperation (CAREC) Program, Greater Mekong Subregion (GMS) Economic Cooperation Program, and South Asia Subregional Economic Cooperation (SASEC) Program—the three largest subregional programs in terms of both the number and amount of ADB RCI operations approved. These programs act as critical platforms for dialogue, fostering investment opportunities while enhancing cross-border connectivity, trade, and financial integration.

5. As the landscape of regional integration evolved, ADB identified the provision of regional public goods—development outcomes or services whose benefits extend beyond national borders—as a key component of its strategy,<sup>1</sup> particularly because of the urgent transboundary challenges facing the region. The coronavirus disease (COVID-19) pandemic highlighted the limitations of individual countries in combating health threats that transcend borders. Similarly, the escalating impacts of climate change,

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<sup>1</sup> RPGs offer a framework for addressing these challenges through collective action. RPGs are characterized by non-rivalry (one country's consumption does not reduce availability for others) and non-excludability (benefits cannot be restricted to only contributing countries). However, despite their importance for achieving the Sustainable Development Goals and building resilience against global shocks, the provision of RPGs faces challenges. Countries may underinvest in RPGs because coordination is problematic, incentives are misaligned, and equitably distributing costs and benefits is difficult.

such as rising sea levels threatening Pacific Island nations and extreme weather disrupting agricultural productivity in South Asia, have underscored the necessity of coordinated regional responses.<sup>2</sup>

6. ADB's Strategy 2030 Midterm Review identified regional cooperation and integration as a strategic priority for ADB. That review emphasized three key elements for success: innovative financing mechanisms, strengthened institutional frameworks, and enhanced regional policy coordination. These components have formed the backbone of ADB's efforts to tackle shared challenges such as climate resilience and disease prevention.

7. To address these multifaceted regional challenges in a systematic way, ADB's RCI agenda is structured around three strategic pillars (Table 1). The first, enhanced connectivity, aims to develop both physical infrastructure and the regulatory frameworks that are needed for seamless movement of goods and services across borders. The second pillar, improved competitiveness, seeks to expand trade and investment opportunities through coordinated policy efforts and capacity building. The final pillar, the increased provision of RPGs, addresses issues such as environmental protection and disaster risk management through collaborative regional strategies. These pillars are interconnected: improved physical connections lead to greater trade integration, and coordinated environmental policies support sustainable economic growth.<sup>3</sup>

**Table 1: Pillars and Project Components of ADB's Regional Cooperation and Integration Agenda**

RCI Pillar	Project Components
Pillar 1: Greater and higher-quality connectivity between economies	<ul style="list-style-type: none"> <li>(i) Regional and subregional infrastructure projects and programs</li> <li>(ii) National infrastructure projects and programs that involve significant regional or cross-border dimensions</li> <li>(iii) Harmonization of regulations, procedures, and standards affecting connectivity, and evaluation and monitoring of cross-border infrastructure projects and programs</li> <li>(iv) Analysis and technical support to countries for trade and investment facilitation measures, coordination and harmonization of regulations, procedures and standards, and a range of cross-border policy measures</li> </ul>
Pillar 2: Greater competitiveness through expanded global and regional trade and investment opportunities	<ul style="list-style-type: none"> <li>(i) Regional policy dialogue on regional agreements that promote trade and investment</li> <li>(ii) Capacity building in structuring, negotiating, and implementing FTAs, and policy support to expand regional and global trade through the use of regional trade arrangements and by reconciling the "rules of origin" among FTAs to minimize the administrative burden on resource-constrained countries</li> <li>(iii) Frameworks for trade and investment expansion that are consistent with the multilateral trading system to guide consolidation of FTAs to benefit the region's counties</li> <li>(iv) Support for facilitating policy dialogue, capacity and institutional development, research and information dissemination, and partnerships among stakeholders promoting regional trade and investment, and monetary and financial integration</li> </ul>
Pillar 3: Increased and diversified regional public goods	<ul style="list-style-type: none"> <li>(i) Support for regional and subregional policy dialogue and initiatives to protect the environment, control communicable diseases, manage the impact of disasters, promote clean energy and energy efficiency, improve governance, and prevent human and drug trafficking</li> <li>(ii) Research on these cross-border issues</li> <li>(iii) Capacity building and institutional strengthening of DMCs so they can respond to cross-border issues</li> <li>(iv) Regional partnership building by supporting regional forums and exchange programs, and collaboration with regional and international institutions, the private sector, and civil society</li> </ul>

DMC = developing member country, FTA = free trade agreement, RCI = regional cooperation and integration, RPGs = regional public goods.

Sources: ADB. 2019. *Operational Plan for Operational Priority 7: Fostering Regional Cooperation and Integration, 2019–2024*; and ADB. 2006. *Regional Cooperation and Integration Strategy*.

8. Evaluations of ADB's regional cooperation and public goods provision, including the 2021 GMS evaluation, the 2023 CAREC evaluation, and the 2024 SASEC evaluation, have provided valuable insights.<sup>4</sup> These included: (i) successful RPG projects thrive on robust institutional arrangements that align incentives across nations, (ii) capacity building at both national and regional levels is crucial for

<sup>2</sup> D. Eckstein, V. Künzel, and L. Schäfer. 2021. Global Climate Risk Index 2021: Who Suffers Most from Extreme Weather Events? Weather-Related Loss Events in 2019 and 2000–2019. *Briefing Paper*. Germanwatch.

<sup>3</sup> ADB. 2019. *Operational Plan for Operational Priority 7: Fostering Regional Cooperation and Integration, 2019–2024*.

<sup>4</sup> IED. 2021. *Evaluation of ADB Support for the Greater Mekong Subregion Program, 2012–2020*; IED. 2023. *Evaluation of ADB Support for the Central Asia Regional Economic Cooperation Program, 2011–2022*; IED. 2024. *ADB Support for the South Asia Subregional Economic Cooperation Program, 2011–2023*.



sustainability, and (iii) innovative financing is vital if the unique challenges associated with funding regional public goods are to be overcome.

## B. Scope and Methods

9. Chapter 2 examines ADB's operational performance across its entire portfolio, focusing primarily on projects validated by IED in 2024. For sovereign operations, it analyzes 667 completed operations validated between July 2015 and June 2024, paying special attention to the 73 completion reports validated in 2024. For nonsovereign operations, it covers 192 evaluations from 2016–2024, including 26 new evaluations in 2024. The TA analysis includes 96 completion reports validated between July 2023 and June 2024. The chapter employs 3-year moving averages to smooth out annual fluctuations and trend regression to estimate annual growth rates in success rates.

10. Chapter 3, the theme chapter, provides a synthesis review of ADB's RCI operations from January 2012 to June 2024. The analysis covers three categories of operations: the three largest programs (CAREC, GMS, SASEC); five other subregional programs where ADB serves as a technical advisor; and other RCI initiatives. The methodology combines portfolio analysis of RCI-classified operations, a systematic review of project documents and completed evaluations, and extensive stakeholder consultations with ADB staff, sector and thematic groups, resident missions, and subregional program secretariats. This mixed-methods approach helped the AER team to triangulate findings. Nevertheless, it needs to be recognized that measuring cross-border benefits is inherently difficult.

11. Chapter 4 examines the implementation of IED recommendations, focusing on 32 recommendations that were accepted by ADB Management between 2020 and 2023 and the action plans that were completed in response to them in reporting year 2024. The analysis tracks trends in accepted recommendations through the Management Action Record System, assesses the quality of management action plans, and evaluates implementation progress. The methodology involves analyzing the relevance and specificity of action plans, tracking implementation rates, and identifying the factors that contributed to successful completion. The chapter draws on both quantitative tracking data and qualitative assessments of action plans and implementation challenges.

## C. Limitations

12. The review faced a few limitations that need to be taken into account when interpreting the results. As with previous AERs, the analysis relies on completed and validated projects and the findings may not fully reflect the performance of ongoing operations or recent policy changes.

13. For the thematic analysis of regional initiatives and RPGs, the review largely draws on existing evaluative evidence and primarily the recent evaluations of the three largest programs. Within these evaluations, it has been recognized that measuring cross-border benefits and attributing regional outcomes to specific interventions is difficult. While the mixed-methods approach addresses some limitations by triangulating the findings, it proved challenging to integrate quantitative and qualitative insights in a systematic way and to ensure that stakeholder perspectives were representative. Nevertheless, the combination of methods enabled the evaluations to provide insights into both ADB's operational performance and its support for regional initiatives. Where possible, this review has provided additional analysis to build on the integrated findings from the existing evaluations.



## CHAPTER 2

# ADB's Operational Performance

# ADB's Operational Performance

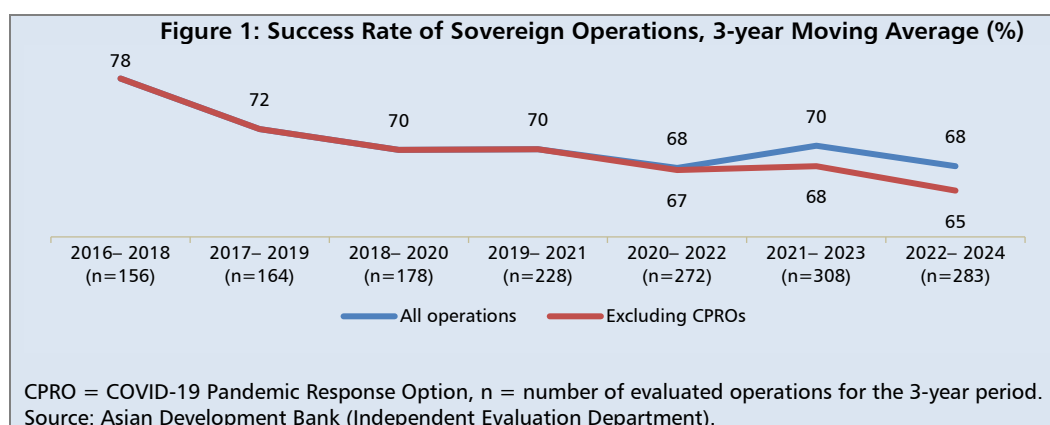
14. This chapter discusses the performance of ADB's sovereign, nonsovereign, and TA operations, as well as its country programs, based on the percentage of operations assessed *highly successful* and *successful* by IED. The chapter presents a synthesis of findings from IED validation reports for sovereign, nonsovereign, and TA projects, as well as country programs, focusing on the validation reports circulated in 2024.<sup>5</sup> It also identifies the factors that shaped the performance of sovereign, nonsovereign, and TA operations classified as RCI. The factors behind the trends in ADB's RCI operations are discussed in detail in Chapter 3.

## A. Sovereign Operations

15. This section discusses trends in the performance of sovereign operations in 2016–2024, with a focus on validations completed in 2024. It analyzes sovereign project performance by evaluation criteria, sector, region, and ADB country classification.<sup>6</sup> It also illustrates sovereign performance by approval year to assess the potential effects of legacy sovereign operations on the overall success rate. In addition, it provides a variance analysis comparing self-assessment ratings with validation ratings from 2016 to 2024.

### 1. Slumping Infrastructure Performance Behind Stagnant Overall Sovereign Success

16. The success rate of all sovereign operations averaged 68% in 2022–2024, down by 2 percentage points from the average success rate in 2021–2023. If COVID-19 Pandemic Response Option (CPRO) operations are excluded, the decline was steeper, with success rates in 2022–2024 averaging 65%, 3 percentage points lower than in 2021–2023 and 13 percentage points lower than the highest recorded success rate in 2016–2018 (Figure 1).<sup>7</sup> Considering the variation in the number of completed and validated sovereign operations in 2016–2024, this review estimates that overall sovereign performance declined by 2.3% annually.<sup>8</sup> Without CPRO operations, the decrease in overall sovereign performance was 2.8%.



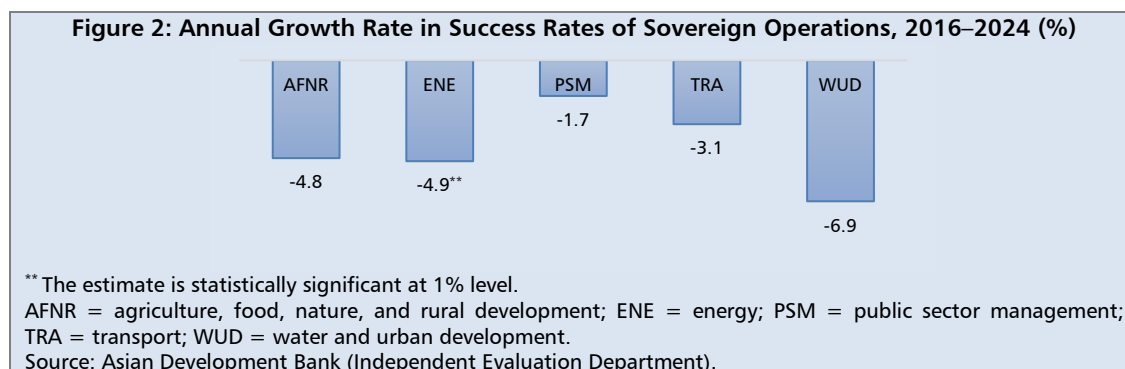
<sup>5</sup> Tables A2.1–A2.4, Appendix 2 list the evaluations completed in 2024.

<sup>6</sup> Linked Document A presents detailed sovereign project performance tables.

<sup>7</sup> Success rates excluding CPRO operations were presented since these operations were not assessed using standard evaluation guidelines and their assessment was hampered by a lack of rigorous monitoring and evaluation data.

<sup>8</sup> The significant results reported in this chapter are statistically significant findings.

17. The decline in 2022–2024 reflects a longer-term trend. Infrastructure success rates fell to 59% in 2022–2024 from 68% in 2019–2021, with a peak of 75% recorded in 2016–2018. This represents a decline of nearly 4.0% annually in 2016–2024, which drove the stagnant overall sovereign performance. Pronounced declines in the agriculture, food, nature, and rural development (AFNR), energy, transport, and water and urban development (WUD) sectors were behind the fall in infrastructure performance (Figure 2).



18. Limited design readiness—arising from financial management and procurement issues, inadequate risk assessments, and the weak technical and institutional capacity of executing and implementing agencies—undermined the achievement of development results in infrastructure sectors in 2022–2024. These design and implementation challenges have been pointed out in previous AERs. Financial management and procurement issues resulted in delays in project preparation and start-up, which were found to lower the probability of sovereign operations’ success.<sup>9</sup> Ensuring quality and timely technical design, feasibility studies, and due diligence in financial management, safeguards, climate risks, and gender equality can help enhance design and procurement readiness. In addition, the use of the project readiness financing has provided crucial project start-up support to enhance readiness.<sup>10</sup> Inadequate risk assessment and mitigation also weakened infrastructure performance by insufficiently dealing with recurrent risks, including weak public financial management, procurement capacity, and internal controls of executing and implementing agencies.<sup>11</sup>

19. The low effectiveness (64%) and sustainability (56%) performances of operations in the infrastructure sectors in 2022–2024 were driven primarily by the deteriorating performance in the WUD sector.<sup>12</sup> Common causes of diminished effectiveness included unmet targets due to cancellations, incomplete deliverables, inadequate risk assessments and unrealistic projections at appraisal. The sustainability of AFNR, transport and WUD operations also declined markedly in 2022–2024.<sup>13</sup>

20. Design and implementation challenges in AFNR influenced the overall decline in infrastructure performance. Poor sector performances in South and Southeast Asia meant that the AFNR success rate declined by 16 percentage points between 2019–2021 and 2022–2024 (Figure 3).<sup>14</sup> Inadequate risk

<sup>9</sup> IED. 2023. *2023 Annual Evaluation Review: What Explains ADB’s Operational Performance?*

<sup>10</sup> IED. 2022. *2022 Annual Evaluation Review Fragile and Conflict-Affected Situations and Small Island Developing States.*

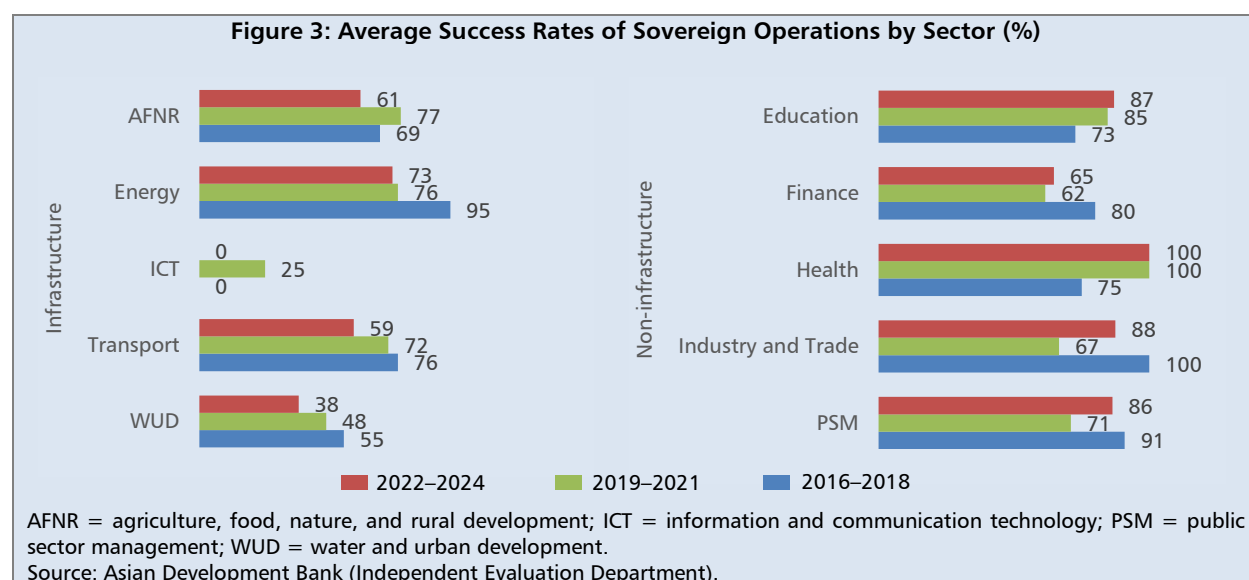
<sup>11</sup> IED. 2023. *2023 Annual Evaluation Review: What Explains ADB’s Operational Performance?*

<sup>12</sup> The WUD effectiveness rating was 49% in 2022–2024, notably lower than for energy (65%), transport (67%), and AFNR (81%). In contrast, non-infrastructure sectors recorded a better performance in 2022–2024 (75%), than in 2019–2021 (63%).

<sup>13</sup> The WUD sustainability performance dropped to its lowest level in 2022–2024 (32%), down from 2019–2021 (34%). The sustainability performance in the transport sector declined in 2022–2024 (56%), down from 2019–2021 (65%). AFNR declined to its lowest level in 2022–2024 (45%), down from 2019–2021 (67%).

<sup>14</sup> The success rates of AFNR projects fell sharply in South Asia in 2022–2024 (56%), down from 2019–2021 (88%). In AFNR projects in Southeast Asia, performance declined in 2022–2024 (29%), down from 2019–2021 (50%).

assessments and institutional capacity issues have hindered project success in the sector. Project efficiency was compromised by frequent delays, procurement issues, and scope reductions.<sup>15</sup>



21. Inappropriate selection of financing modalities, components that were misaligned with project goals, insufficient capacity of executing and implementing agencies, and lack of financial and institutional assessments in transport projects also contributed to deteriorating infrastructure performance. Transport performance remained particularly weak in Central and West Asia due to less than successful multitranche financing facility (MFF) transport operations in Georgia and Uzbekistan.<sup>16</sup> Project validations considered the choice of MFFs to have been inappropriate in several cases as subsequent tranches failed to materialize, which diminished the relevance of the programs. Simpler project-specific lending options would have been more suitable than large-scale and complex MFF projects in many cases. The recently completed North Eastern State Roads Investment Program in India highlighted the challenges of implementing MFFs,<sup>17</sup> since the program faced varying capacities and sustainability risks across multiple states and was implemented without a formal sector road map in place.

22. Weak institutional capacity, poor financial management, and procurement delays in WUD projects were other factors that led to declining infrastructure performance. South Asia accounted for nearly half of all the completed and validated WUD operations that performed poorly in 2022–2024. This was due to the number of WUD MFF operations in India that were rated *less than successful*.<sup>18</sup> These MFFs were often characterized by a failure to update the design and monitoring framework (DMF) as additional components were introduced, making it difficult to assess the impacts of these new components. The effectiveness of the MFFs suffered as they failed to meet all their output targets,

<sup>15</sup> For instance, the Assam Integrated Flood and Riverbank Erosion Risk Management Investment Program in India was delayed by 3 years due primarily to start-up delays faced by the implementing agency and delayed approval of environmental clearances. These delays, combined with underutilization of funds under tranche 2, resulted in cancellations, with spillover works completed using the government's own resources, thus affecting overall program efficiency and effectiveness. IED. 2024. *Validation Report: Assam Integrated Flood and Riverbank Erosion Risk Management Investment Program in India*. ADB.

<sup>16</sup> Three ADB regions—Central and West, East, and South Asia—each accounted for roughly a third of all completed transport operations. In 2022–2024, the success rate of transport operations was: Central and West Asia (50%), East Asia (64%), and South Asia (74%).

<sup>17</sup> IED. 2024. *Validation Report: North Eastern State Roads Investment Program - Project 2 and Multitranchise Financing Facility in India*. ADB.

<sup>18</sup> In 2022–2024, the success rate of WUD operations was: South Asia (24%), Central and West Asia (33%), East Asia (67%), and Southeast Asia (63%). Three WUD operations were completed in the Pacific in 2022–2024, all of which were rated *less than successful*.

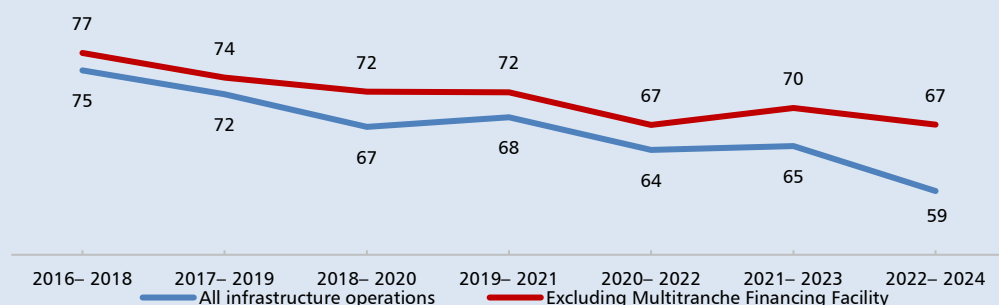


with some subprojects left incomplete at loan closure.<sup>19</sup> Sustainability was a recurrent issue because of the uncertainty of funding for operation and maintenance and the absence of cost recovery mechanisms. Box 1 presents a closer look at the performance of MFFs across sectors.

### Box 1: A Close Look at Multitranche Financing Facilities

The success rate of multitranche financing facilities (MFFs) decreased steadily from 64% in 2016–2018 to 41% in 2022–2024, dampening the overall success rate of ADB operations.<sup>a</sup> This trend confirms previous IED evaluation findings that MFF success rates were likely to decline as more MFF operations reached completion. These poor success rates were driven by MFFs that were not able to complete their intended deliverables within the 10-year period of an MFF.<sup>b</sup> The low success rates of MFFs in transport and water and urban development (WUD) were caused by inadequate preparation and design readiness, leading to considerable delays, which ultimately made achievement of the planned objectives within the 10-year time limit difficult. Of the validated MFFs, only 28% of WUD and 51% of transport MFFs were rated *successful*. Energy MFFs fared better and had a success rate of 80%. Legacy MFF projects—which were liberally processed without clearly defined scopes but for which course corrections have since been implemented—weighed on overall infrastructure success rate.

Success Rate of Sovereign Infrastructure Operations, 3-year moving average (%)



There was a variance in performance across sectors and between regions, especially between South and Central and West Asia, where more than four-fifths of MFFs were implemented. For example, energy MFFs were less successful in Central and West Asia (69%) than those in South Asia (84%), while WUD MFFs performed better in Central and West Asia (54%) than in South Asia (10%). The success rate of transport MFFs was relatively uniform between the two regions, with about 50% of projects rated *successful*.

Project complexity and the operational context have largely driven variations in MFF performance across sectors and regions. Strong institutional capacity and government commitment, clear sector road maps and MFF designs, adequate due diligence and risk assessments, and proactive project and financial management underpinned the successful MFFs, as demonstrated in the energy MFFs in India and WUD MFFs in Azerbaijan. Changing government priorities, waning government commitment, misalignments between project ambitions and institutional capacity, and overly complex project design and implementation arrangements have hindered success, particularly in the *less than successful* WUD MFFs in India and the transport MFFs in Georgia and Uzbekistan.

<sup>a</sup> Since the approval of the first MFF in 2005, IED has validated and evaluated 160 MFF operations. IED found that the MFF modality was largely utilized for projects in the infrastructure sectors (34% in transport, 31% in energy, 20% in WUD, and 8% in agriculture sectors) in South Asia and Central and West Asia. The two ADB regions that used the most MFFs were South Asia (46% of the total) and Central and West Asia (38%). India was the single largest user of MFFs (43%), followed by Pakistan (13%), and Azerbaijan, Georgia, Kazakhstan, Uzbekistan, and Viet Nam (each with 6%).

<sup>b</sup> ADB. 2019. *ADB's Multitranche Financing Facility, 2005–2018: Performance and Results Delivered*.

Source: Independent Evaluation Department.

23. The weak management and financial capacity of implementing agencies and unrealistic project scopes in some energy projects contributed to the declining infrastructure performance in some regions. In 2016–2024, energy operations' success rates dropped by 4.9% each year, caused primarily by

<sup>19</sup> For instance, the Infrastructure Development Investment Program for Tourism in India was compromised by (i) weak absorptive capacity, (ii) the insufficient financial management capabilities of executing and implementing agencies, and (iii) lack of appropriate risk assessment and a well-defined road map at appraisal, resulting in multiple changes in scope (e.g., deviations from the DMF's planned and approved targets) and eventually to the cancellation of critical components, with other components completed by the state governments after the MFF program's implementation period. ADB. 2024. *Infrastructure Development Investment Program for Tourism (Tranche 4 and Multitranche Financing Facility) in India*.

persisting weak sector performance in Central and West Asia.<sup>20</sup> Common factors curtailing project success in the region include insufficient risk and capacity assessments, underutilization of funds, and deficiencies in the formulation of DMFs.

24. Nevertheless, the performance of energy projects in 2022–2024, while still below its peak success rate in 2016–2018, did not decline as sharply as in the other infrastructure sectors, largely because of increasing success rates in South Asia (Figure 3).<sup>21</sup> These projects promoted renewable energy development and efficient transmission systems through innovative designs such as gas-insulated substations and digital protection systems in India that were tailored to local conditions. Energy projects that were financed through non-traditional modalities—including financial intermediation loans (FIL), policy-based lending (PBL), and results-based lending (RBL)—were able to promote clean energy and climate change mitigation by aggregating smaller subprojects and maximizing cofinancing, and by supporting policy reforms through mechanisms such as the Green Financing Platform in the People's Republic of China (PRC).<sup>22</sup> Other success factors included the early resolution of legal barriers, TA provision for capacity building, and timely risk identification.<sup>23</sup> These success factors were reflected in the energy sector's strong relevance (86% of operations were rated *highly relevant* or *relevant*) and efficiency (65% were rated *highly efficient* or *efficient*) in 2022–2024. These were the highest percentages in the infrastructure sectors.<sup>24</sup> Additionally, the high sustainability rating of energy operations (80% rated *most likely sustainable* or *likely sustainable*) in 2022–2024 reflected the improved financial position of energy service providers, reinforced by favorable tariff reforms, and institutional strengthening measures.

25. Operations in non-infrastructure sectors performed better in 2022–2024, although their strong performance was not enough to lift the overall success rate of sovereign operations. Outside infrastructure, the success rate of operations climbed from 73% in 2019–2021 to 84% in 2022–2024, driven mainly by strong performances in the education and public sector management (PSM) sectors.<sup>25</sup>

26. Governments' resource allocations, stakeholder engagement, and integrated sectoral approaches in education projects all bolstered performance in the non-infrastructure sectors. Education projects continued their strong performance in 2022–2024, driven by successful RBL programs and by sector development programs in South and Southeast Asia.<sup>26</sup> These supported national priorities and government programs aimed at improving youth employability and strengthening technical and vocational education systems, incorporating pro-poor and pro-women designs. Government commitment, institutional reforms, and capacity-building efforts made ADB education projects sustainable.<sup>27</sup>

27. PSM operations benefited from their flexible program designs. Many PSM projects had high success rates in 2022–2024,<sup>28</sup> although the strong performance of PSM projects was primarily due to the

<sup>20</sup> The success rate of energy projects in Central and West Asia has not exceeded 55% since 2019–2021.

<sup>21</sup> The success rate of energy sector operations peaked in 2017–2019 at 96% but fell to its lowest level (68%) in 2020–2022. The success rate of energy projects in South Asia steadily increased to 94% in 2022–2024, the highest of all regions.

<sup>22</sup> The average success rates for the different modalities in 2022–2024 were: FILs, PBLs, and RBL (83%), MFFs (72%), other investment projects (68%).

<sup>23</sup> Successful FIL energy projects included the Air Quality Improvement in the Greater Beijing-Tianjin-Hebei Region-China National Investment and Guaranty Corporation's Green Financing Platform Project in the PRC and the Rooftop Solar Power Generation Project in Sri Lanka. Successful energy RBLs included the Sustainable Energy Access in Eastern Indonesia-Electricity Grid Program.

<sup>24</sup> Transport had the lowest relevance rating in 2022–2024 (78%) compared with AFNR (84%) and WUD (86%). Efficiency declined in all infrastructure sectors in 2022–2024, most notably in WUD from 72% in 2019–2021 to 46% in 2022–2024.

<sup>25</sup> This is also higher than the overall success rate of the infrastructure sectors, which declined further to 59% in 2022–2024, down from 68% in 2019–2021. The peak success rate was 75% in 2016–2018.

<sup>26</sup> South Asia success ratings were 100% and Southeast Asia 88% in 2022–2024. Three sector development programs and four RBL operations in the education sector were completed in 2022–2024 and they were rated *successful*. Three of the RBLs and two of the sector development programs were in South and Southeast Asia.

<sup>27</sup> For example, the sustainability of a technical and vocational education and training program in India was enhanced by improved institutional capacity acquired through support from a capacity building TA. The continued strong demand for training places (mainly from poor students and women) suggests that the programs will be sustainable. ADB. 2024. *Supporting Kerala's Additional Skill Acquisition Program in Post-Basic Education in India*.

<sup>28</sup> The success rate of all PSM operations increased to 86% in 2022–2024 from 71% in 2019–2021.

success of COVID-19 Pandemic Response Option (CPRO) operations.<sup>29</sup> The flexibility and adaptability of PSM projects allowed them to stay on track despite implementation delays caused by the pandemic, as demonstrated by the Local Governance Reform Program in the Philippines.<sup>30</sup> Strong collaborative governance structures and sustainability planning helped to ensure that projects had long-term impacts.

## 2. Steady Decrease in Performance in Group C Countries and in Fragile Contexts

28. Among country groups, the steep decline in the performance of ADB sovereign operations in Group C countries (which can borrow only from ADB's ordinary capital resources) contributed to the declining sovereign success rate.<sup>31</sup> The success rate of sovereign operations in Group C countries decreased to 66% in 2022–2024 from 73% in 2019–2021 and 79% in 2016–2018. This annual decline of 2.3% over 2016–2024 was largely caused by the underperformance of operations in the PRC and India,<sup>32</sup> two of ADB's largest sovereign borrowers.<sup>33</sup> The performance of operations in the PRC declined to 76% in 2022–2024 from 88% in 2019–2021, reflecting the limited capacity of local agencies and poor risk identification and due diligence, particularly in AFNR and transport operations. Similarly, sovereign success rates in India decreased to 59% in 2022–2024 from 67% in 2019–2021. The inadequate capacity of local government agencies and other stakeholders, particularly those engaged in WUD MFFs, pulled down the performance of ADB sovereign operations in India.

29. The poor performance of sovereign operations in fragile- and conflict-affected situations (FCAS) was influenced by lagging success rates in the Lao People's Democratic Republic and Papua New Guinea.<sup>34</sup> The success rate of operations in FCAS averaged 53% in 2022–2024, down by 9 percentage points from 2019–2021 and by 19 percentage points from the peak success rate in 2016–2018. The performance of operations in small island developing states (SIDS) improved in 2022–2024, mirroring other trends in the Pacific, whose performance also improved due to the success of PSM operations.<sup>35</sup> While this success was largely bolstered by CPRO operations, other PSM programs, such as those in Fiji and Tonga, successfully fostered resilient recovery and green growth through alignment with national priorities, effective policy actions, timely and efficient implementation, and provision of capacity building.

30. Despite the improved project success in SIDS, the continuing poor performance in the FCAS subgroup underscores the need for ADB to show ingenuity in fragile and conflict-driven contexts. The severe governance challenges in these contexts result in complex and difficult operational environments for ADB projects. Governance carries considerable weight in shaping the performance of sovereign projects. This finding is consistent with previous AERs. A higher degree of government effectiveness was

<sup>29</sup> All 22 validated CPRO operations were rated *successful*.

<sup>30</sup> ADB. 2024. *Local Governance Reform Program (Subprograms 1 and 2) in the Philippines*.

<sup>31</sup> Under the classification of developing member countries by lending eligibility in 2024, India was in Group C. Previously, it was in Group B (although without access to concessional assistance).

<sup>32</sup> This declining performance was also reflected in the success rate among non-FCAS-classified and non-SIDS-classified countries, which are mainly in Group C (eligible to borrow only from ordinary capital resources) and Group B countries (eligible to borrow from ordinary capital resources and concessional resources). The sovereign success rate in non-FCAS-classified and non-SIDS-classified countries dropped by 2.1% each year in 2016–2024.

<sup>33</sup> India and the PRC accounted for about 60% of evaluated operations in Group C in 2022–2024, and 30% of the total during the same period.

<sup>34</sup> DMCs classified as FCAS were Afghanistan, Lao People's Democratic Republic, Kiribati, the Marshall Islands, Federated States of Micronesia, Myanmar, Nauru, Palau, Papua New Guinea, Solomon Islands, Timor-Leste, and Tuvalu. Ten of the 12 FCAS were in Group A (the exceptions were Palau and Papua New Guinea). DMCs classified as SIDS were Cook Islands, Fiji, Kiribati, Maldives, the Marshall Islands, Federated States of Micronesia, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Timor-Leste, Tonga, Tuvalu, and Vanuatu. Fourteen of the 16 SIDS were in the Pacific region. FCAS-classified countries and many of the SIDS-classified countries face difficult operational contexts, low government capacity, underdeveloped markets, and vulnerability to both climate-induced disasters and economic shocks, which hinder project success. ADB. 2024. *2023 Development Effectiveness Review*.

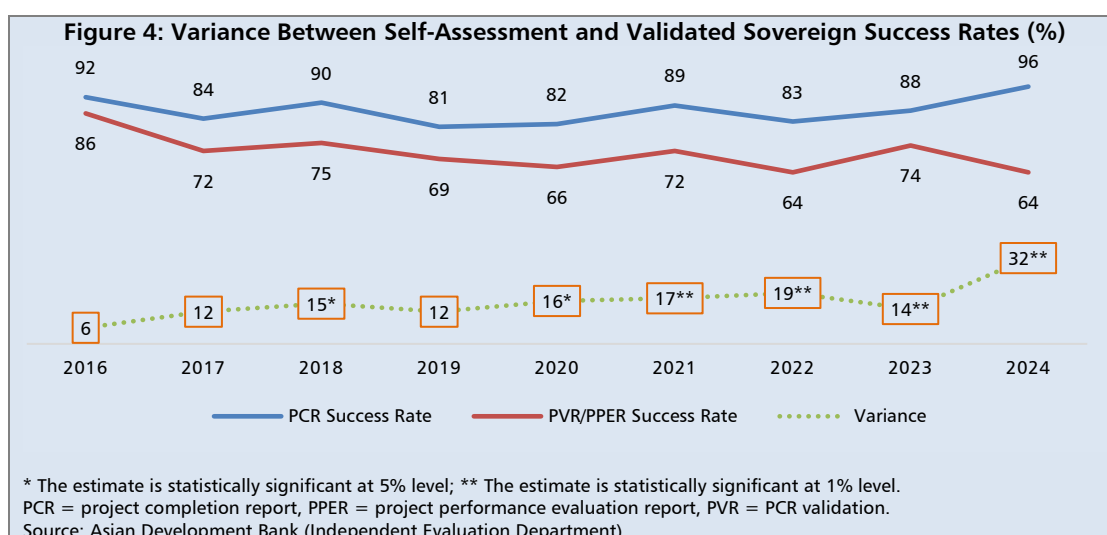
<sup>35</sup> PSM operations made up more than a third of completed projects in the Pacific and their success rating in 2022–2024 (93%), improved from 2019–2021 (50%). Overall success rates in the Pacific were higher in 2022–2024 (58%) than in 2019–2021 (55%). Similarly, the success rate in SIDS improved in 2022–2024 (58%), from 2019–2021 (52%).

more likely to lead to sovereign project success.<sup>36</sup> ADB interventions in FCAS and SIDS contexts would benefit from building resilience through targeted institutional support and capacity-building strategies, such as the establishment of dedicated and long-term project management units.<sup>37</sup>

### 3. Increased Variance and Legacy Operations' Effects

31. The difference between self-assessed success ratings and validated success ratings tends to fluctuate over time, particularly with small sample sizes (Figure 4).<sup>38</sup> From 2016 to 2023, this variance averaged about 14 percentage points. However, in 2024, there was a significant increase to 32 percentage points.<sup>39</sup> The spike warrants careful consideration, focusing on key determinants and overall trends. This rise was primarily due to a notable increase in self-assessed success rates, along with downgrades in efficiency and sustainability.<sup>40</sup>

32. Efficiency ratings were downgraded because of process inefficiencies stemming from delays in start-up and implementation, as well as challenges in quantifying the economic costs and benefits of projects upon completion. In terms of sustainability, the downgrades were influenced by insufficient evidence demonstrating that the implementing agencies possessed the technical and financial capacities necessary to support the operations and maintenance of project assets after completion.<sup>41</sup>



33. Legacy operations tend to weigh on overall success rate, but their lessons are essential in enhancing overall sovereign success. While AERs typically assess sovereign success rates based on validation years of operations, this review also glimpses success rates by approval year. This approach aims to understand how legacy operations may influence overall sovereign performance. Recent sovereign approvals demonstrate approaches that helped address design and implementation challenges encountered in legacy operations, particularly in energy and multisector projects (Box 2).<sup>42</sup>

<sup>36</sup> Government effectiveness captures perceptions of the quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies. IED. 2023. *2023 Annual Evaluation Review: What Explains ADB's Operational Performance?*

<sup>37</sup> IED. 2022. *Annual Evaluation Review: Fragile and Conflict-Affected Situations and Small Island Developing States.*

<sup>38</sup> Between 2016 and 2018, an average of about 50 PCRs were validated each year, with approximately one-tenth of these being downgraded. In contrast, from 2021 to 2023, the average number of validated PCRs increased to over 100, and about one-fifth were downgraded. In 2024, a total of 73 PCRs were validated, with 23 of these being downgraded, which represents nearly one-third of the total validated projects.

<sup>39</sup> The estimate is statistically significant at 1% level with t-value=5.27.

<sup>40</sup> The self-assessed success rate in 2024 was 96%, with only three projects rated less than successful in their project completion reports, namely: (i) Solar Rooftop Investment Program (Tranche 1) in India; (ii) Power Transmission Rehabilitation Project in Armenia; and (iii) Strengthening Public Finance Management Program (Subprogram 1) in Lao People's Democratic Republic.

<sup>41</sup> In-depth variance analysis, including sector-specific variances, will be included in IED's variance memo, set to launch in June 2025.

<sup>42</sup> Legacy multisector projects, especially with WUD and AFNR as primary sectors, fared poorly because of their complex implementation arrangements involving numerous implementing agencies at the subnational level and coordination challenges depending on the extent of decentralization and devolution of powers given to subnational implementing agencies. IED. 2023. *2023 Annual Evaluation Review: What Explains ADB's Operational Performance?*

### Box 2: Cohort Analysis of Sovereign Operations

This box illustrates sovereign performance trends by approval year, using data from 567 sovereign operations approved between 2008 and 2020, representing an average of 57% of approvals validated in 2016–2024. Moreover, it presents performance trends of 464 legacy sovereign operations approved in 2008–2015, accounting for an average of nearly 80% of approvals validated in 2016–2024. Analyzing the data by approval year offers insights into performance and may help identify potential areas for further assessment. However, it is important to interpret these results with caution, as the success rates for recent approval years may be influenced by faster-completing operations, including those financed by quick-disbursing modalities

Sovereign success rate increased significantly by 2.0% annually among 2008–2020 approvals, including operations financed by the COVID-19 Pandemic Response Option (CPRO). Excluding CPROs, the increase diminished to 1.0% each year, emphasizing the positive effect of CPROs on overall success. This review's analysis suggests that a CPRO project is predicted to have a 30.7 percentage points higher likelihood of being rated successful than a non-CPRO project.<sup>a</sup>



\*\* The estimate is statistically significant at 1% level.  
Source: IED estimates.

The increase in sovereign success rate was significantly higher at 3.0% annually in legacy approvals in 2008–2015, excluding the notable dips in 2016–2017 approvals. Accounting for these dips, the increase in sovereign performance is reduced to 0.5% each year. More than two-thirds of the sovereign operations approved in 2016 and 2017 that were rated *less than successful* or *unsuccessful* were adversely affected by the pandemic. Supply chains were disrupted, the completion of civil works was delayed, and government financing was redirected to address urgent needs, particularly in the context of limited borrowing headroom. These findings do not capture the full extent of the pandemic's impact on the performance of ADB sovereign operations, as many projects that were approved and/or implemented during the pandemic—especially infrastructure projects—are still ongoing.

The analysis revealed notable trends in the performance of 2008–2022 approvals, including legacy operations in 2008–2015. Infrastructure approvals' performance increased by 1.5% annually in 2008–2020 compared with 0.5% each year among legacy infrastructure approvals. Legacy infrastructure approvals generally faced the difficulty of introducing new technology, such as earlier renewable energy approvals, which were somewhat addressed in recent ones by effectively engaging the private sector and beneficiary communities in rolling out new technology. Legacy multisector operations, with transport and water and urban development (WUD) as the primary sectors, also encountered difficulties in introducing new technology and identifying realistic project scopes across geographic areas.<sup>b</sup> These challenges were somewhat mitigated in recent multisector approvals, with transport and WUD as the primary sectors, which benefitted from ADB's long-term engagement in policy and regulatory reforms, support to private entities that piloted advanced technology, and lessons and good practices from past ADB interventions.

The non-infrastructure approvals' success rate rose by 1.2% annually in 2008–2020 compared with a significant increase of 2.6% each year among legacy operations. The stronger performance of legacy non-infrastructure approvals was driven by a steady increase in the success rates of public sector management (PSM) and finance approvals between 2010–2012 and 2013–2015.<sup>c</sup> Legacy PSM and finance approvals that performed well were characterized by the use of programmatic approaches and technical assistance to support policy reforms.

The success rate of operations in Group B countries increased significantly by 2.9% annually in 2008–2020 approvals compared with a significant increase of 3.3% each year among legacy operations in these countries. The stronger performance of legacy Group B operations was fueled by transport projects' steady increase in their success rates between 2011–2013 and 2013–2015.<sup>c</sup> Successful legacy transport operations in Group B countries were characterized by the use of existing project implementation units and a focus on the procurement and installation of new equipment or technology instead of civil works in complex sectors like railway and urban public transport.

<sup>a</sup> See detailed discussions in Appendix 1 and Linked Document B.

<sup>b</sup> Legacy multisector approvals with transport and water and urban development as the primary sectors accounted for nearly 55% of all legacy multisector operations in 2008–2015.

<sup>c</sup> Public sector management's performance increased from 69% in 2010–2012 to 94% in 2013–2015, while finance's performance rose from 50% to 75% in the same period.

<sup>d</sup> The success rates of legacy transport operations, which accounted for more than a quarter of legacy approvals in Group B countries, rose from 61% in 2011–2013 to 76% 2013–2015.

Source: Asian Development Bank (Independent Evaluation Department).



#### 4. Mixed Results for Sovereign Operations to Strengthen Regional Cooperation and Integration

34. While RCI remains one of ADB's strategic priorities, design weaknesses often prevented sovereign operations from advancing this goal, particularly in promoting regional connectivity. The limited integration of regional elements in regional connectivity operations led to inconsistent performances across the energy and transport sectors (Box 3).

##### Box 3: Integration of Regional Elements Explains the Difference Between Transport and Energy Performance

Some sovereign operations classified as supporting regional cooperation and integration (RCI) performed well and others did not. A comparison between energy and transport operations that were completed and validated in 2016–2024 is revealing.<sup>a</sup> Operations in these two sectors accounted for nearly two-thirds of validated RCI-classified operations in 2016–2024 (when public sector management operations financed through the COVID-19 Pandemic Response Option are excluded). Transport and energy operations primarily sought to promote RCI through increasing regional or subregional connectivity. Energy operations that aimed to improve regional or subregional connectivity had an average success rate of 90% in 2016–2024, outperforming connectivity-related transport projects (64%) by some distance.

Regional transport connectivity projects, both those that performed well and those that performed poorly, were weakened by: (i) cross-border transport improvements that were not accompanied by or linked with trade facilitation, such as border crossing facilities—whose impacts take time to materialize and executing agencies have limited experience in this area—and border market development (a perennial problem of transport connectivity operations); and (ii) scope changes that led to cross-border infrastructure facilities being cancelled. For example, although the Greater Mekong Subregion (GMS) Highway Expansion Phase 2 Project was rated *successful*, it simply upgraded a GMS road corridor and did not include any regional activities or elements that would have maximized the impacts and benefits of a regional project.<sup>b</sup> The project sought to foster international corridor development along the GMS East–West Economic Corridor (EWEC), but on completion, there was not much evidence that it had strengthened the EWEC.

In the energy sector, power trade agreements and public–private partnerships (PPPs) helped energy projects to foster regional connectivity by increasing cross-border power trade. Power trade agreements between neighboring countries enabled cross-border power imports and exports. For example, the South Asia Subregional Economic Cooperation Second Bangladesh–India Electrical Grid Interconnection Project, which successfully increased Bangladesh's imports of electricity from India in 2020, was built upon a 2010 memorandum of understanding signed between the two governments to initiate cross-border electricity trade.<sup>c</sup> Similarly, under the Talimarjan Power Project, Uzbekistan's state-owned energy company, Uzbekenergo, entered into or updated power trade agreements with Afghanistan, Kazakhstan, Kyrgyz Republic, and Tajikistan. Annual exports to Afghanistan increased from 1.4–1.8 terawatt-hour (TWh) in 2014–2017 to 2.5 TWh in 2018.<sup>d</sup>

The use of PPPs supported private sector participation in power generation. For example, ADB's issuance of a partial credit guarantee supported a PPP between Azerbaijan's state-owned companies and four international companies, which helped increase production and exports of gas from the gas-condensate field.<sup>e</sup> Similarly, the Green Power Development Project in Bhutan supported the Dagachhu hydropower plant, which was the first PPP model in Bhutan's energy sector and the world's first cross-border project under the Clean Development Mechanism. The project helped increase Bhutan's hydropower export revenue by nearly 130% from 2007 to 2015.<sup>f</sup>

<sup>a</sup> The performances of sovereign RCI operations were assessed according to their IED-validated overall scores. A total of 30 projects were reviewed, nearly a quarter of the 127 IED-validated RCI operations in 2016–2024. For each RCI pillar, the top 10% and bottom 10% of projects were included in the review: (i) 14 out of the 70 RCI operations classified under the pillar on greater connectivity; (ii) 10 out of the 50 RCI operations classified under the pillar on improved trade and investment competitiveness; and (iii) 6 out of the 28 RCI operations classified under the pillar on RPG delivery. The sample also included the top 5% and bottom 5% of transport and energy operations that were classified as RCI and validated in 2016–2024. Those operations financed through the COVID-19 Pandemic Response Option that were classified as RCI were excluded from the review as their primary objective was to address the urgent effects of the pandemic rather than to promote RCI.

<sup>b</sup> IED. 2024. *Validation Report: Greater Mekong Subregion Highway Expansion Phase 2 Project in Thailand*. ADB.

<sup>c</sup> IED. 2022. *Validation Report: SASEC Second Bangladesh–India Electrical Grid Interconnection Project in Bangladesh*. ADB.

<sup>d</sup> IED. 2022. *Validation Report: Talimarjan Power Project in Uzbekistan*. ADB.

<sup>e</sup> IED. 2023. *Validation Report: Partial Credit Guarantee Shah Deniz Gas Field Expansion Project*. ADB.

<sup>f</sup> IED. 2018. *Validation Report: Green Power Development Project*. ADB.

Source: Asian Development Bank (Independent Evaluation Department).

35. Energy projects performed well in promoting regional and subregional connectivity as they increased cross-border power trade. Power trade agreements between countries and public–private partnerships enabled cross-border power exports and imports. However, transport operations fared poorly in promoting regional or subregional connectivity.<sup>43</sup> They found it difficult to ensure the presence of complementary infrastructure on both sides of borders, they included outcome indicators that reflected domestic rather than cross-border benefits, and they used unreliable estimates of ex-ante and ex-post cross-border traffic flows that were based either on outdated data or unrealistic assumptions. These design and monitoring deficiencies hindered transport projects’ efforts to link economies.

## B. Nonsovereign Operations

36. This section presents trends in the performance of NSOs over 2016–2024 and discusses the factors behind these trends by drawing on projects evaluated by IED in 2024.<sup>44</sup> The analysis encompasses 192 evaluations in 2016–2024.<sup>45</sup> NSO projects primarily supported infrastructure—in energy, AFNR, information and communication technology (ICT), and health—as well as private equity funds (PEFs) and financial institutions through loans, debt securities, guarantees, and direct equity.<sup>46</sup> The analysis also considered the performance of nonsovereign operations by approval year to show how legacy nonsovereign operations affected the overall success rate.

### 1. Infrastructure Drives Slight Dip in Nonsovereign Performance

37. The overall success rate of NSO decreased slightly from 56% in 2021–2023 to 54% in 2022–2024 after performance stabilized at 54%–56% from 2018–2020 to 2022–2024 (Figure 5). The review’s analysis indicates that NSO success rates declined by an average of 1.2% annually during the 2016–2024 period, but no significant trend was observed.<sup>47</sup>

38. As ADB intends to expand and diversify its NSO portfolio to support development objectives under Strategy 2030, the need to improve NSO performance becomes more urgent. ADB’s planned increase and diversification of its NSO portfolio into new sectors and frontier economies require business process reform initiatives to enhance project selectivity, design, and process efficiency. In addition, effectively leveraging private sector expertise and financing necessitates adopting risk-based approvals and identifying the key bottlenecks that delay transaction approvals. The effects of ADB’s ongoing business process reforms on NSO performance remain to be seen.<sup>48</sup>

<sup>43</sup> In 2022–2024, transport operations’ success rate towards fostering regional or subregional connectivity was 56%, while the success rate for energy projects focused on regional or subregional connectivity was 83%.

<sup>44</sup> The years for reporting performance were not based on the calendar years in which the Independent Evaluation Department evaluated the projects, but on the years the projects’ extended annual review reports (XARRs) were completed (ending 30 June). For example, the year 2024 covers XARRs circulated from 1 July 2023 to 30 June 2024 and the period 2022–2024 covers XARRs circulated from July 2021 to June 2024. Linked Document C presents detailed performance tables for NSO. Two XARRs circulated in 2023 were evaluated in 2024. The success rates of these projects were recorded under reporting year 2023 because the projects’ XARRs were circulated that year. Hence, when analyzing trends, the performance of these two projects was included in 2023. Including these two evaluations, IED finalized a total of 28 project evaluations in 2024.

<sup>45</sup> From 2016 to 2024, infrastructure projects accounted for 57% of the 192 evaluated projects, financial institution projects 29% and private equity funds 14%.

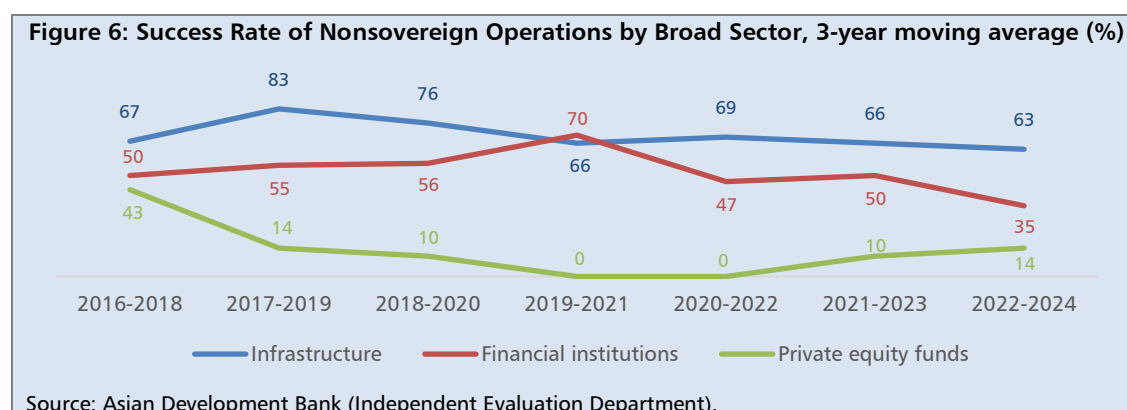
<sup>46</sup> Areas of NSO support are broadly classified as follows: (i) financial institutions, (ii) private equity funds, and (iii) infrastructure. From 2016 to 2024, 110 infrastructure projects were evaluated, including 15 AFNR projects and four health projects. However, almost all of these AFNR and health projects (18 out of 19) were evaluated between 2020 and 2024 and therefore do not provide much insight into long-term trends. Reclassification of these AFNR and health projects separate from infrastructure projects will be considered in the coming years once more projects are evaluated.

<sup>47</sup> The estimated growth rate of -1.2% is statistically insignificant at the 5% level, with a t-value of -0.67.

<sup>48</sup> ADB’s business process reforms for its nonsovereign operations, which are currently underway, include training and capacity-building activities on ex-ante development impact framework and additionality, as well as support for ex-ante implementation of NSO projects through the restructuring of the Development Effectiveness team in the Private Sector Transaction Support Division. In addition, the ongoing NSO Business Process Reform project seeks to put in place fit-for-purpose processes, documentation, and governance for NSO. IED. 2024. *ADB’s Private Sector Operations Strategic Approach and Results, 2019–*



39. The steady decline in the performance of infrastructure projects largely contributed to the recent drop in NSO performance. Infrastructure project performance decreased from 83% in 2017–2019 to 63% in 2022–2024, due to the performance of projects outside the energy sector (in WUD, education, ICT, transport, AFNR, and health), and a recent decline in the performance of energy projects. Despite this, infrastructure projects still outperformed projects that supported financial institutions and private equity funds (Figure 6).<sup>49</sup> Infrastructure projects' performance dropped by 2.0% annually, financial institutions projects by 6.8%, and legacy PEFs by 10.7% in 2016–2024.<sup>50</sup>



40. Difficulties in measuring projects' contributions to private sector development, problems with implementation arrangements, and external shocks such as the pandemic and foreign exchange rate volatility contributed to the drop in infrastructure performance. These were encountered both in the energy sector and in other sectors. The success rate of NSO energy projects dropped from 78% in 2023 to 67% in 2024, while the performance of operations in other sectors declined from 38% in 2023 to 33% in 2024.

41. Energy projects' decline in performance was largely influenced by renewable energy projects that did not fare well in 2024.<sup>51</sup> These projects had to deal with external challenges such as the pandemic and foreign exchange volatility, and some had design deficiencies, such as DMF indicators that failed to measure a project's contribution to private sector development, and fiduciary challenges, such as

2024; IED. 2023. *Corporate Evaluation of ADB's Investment and Credit Risk Management of Nonsovereign Operations (2009–2021)*.

<sup>49</sup> Between 2016 and 2024, nine projects evaluated were in small island developing states and countries that ADB classified as fragile and conflict-affected situations. Of these, six projects (five infrastructure and one financial institution) were rated *successful*, a success rate of 67%. The three projects rated *less than successful* included two infrastructure projects and a private equity fund.

<sup>50</sup> The t-values for the estimated growth rates were -0.63 for infrastructure, -1.10 for financial institutions, and -3.46 for legacy PEFs.

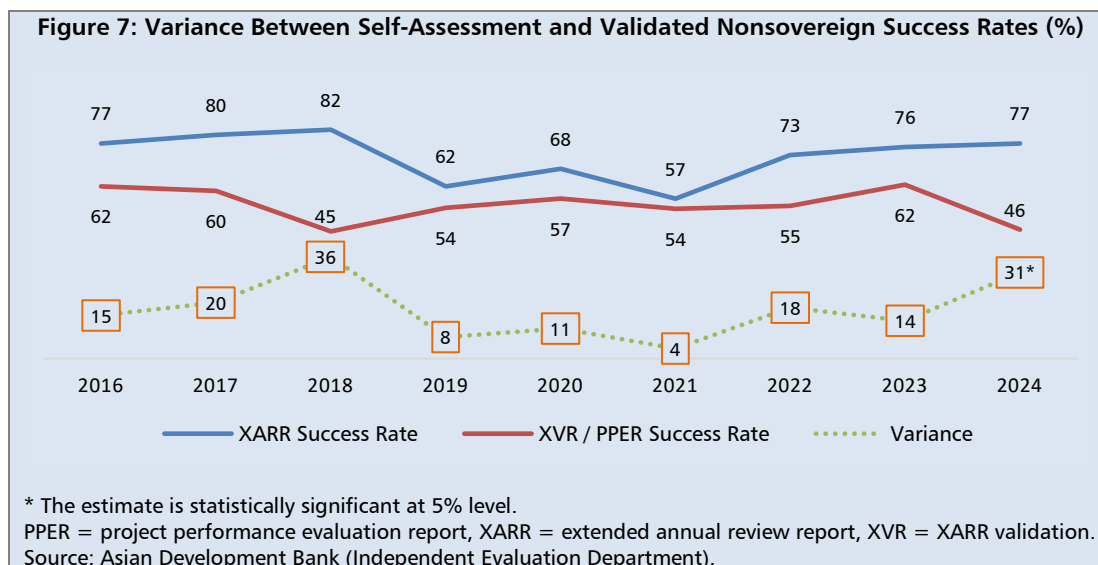
<sup>51</sup> Of the 12 energy projects validated in 2024, four were rated *less than successful* or *unsuccessful*. Of the four, three were renewable energy projects that supported waste-to-energy and geothermal power sources.

transparency issues in meeting ADB's reporting requirements. Projects in other sectors had similar weaknesses in their DMFs, as well as being affected by external shocks, notably the pandemic. While infrastructure projects' success rates declined, they continued to outperform financial institutions projects and legacy PEFs.

## 2. Increased Variance and Legacy Operations' Effects

42. The difference between self-assessed ratings and IED-validated ratings for NSO operations decreased at an annual rate of 0.4% over the 2016–2024 period (Figure 7).<sup>52</sup> From 2016 to 2023, the average variance was 16 percentage points. However, in 2024, this variance increased by 31 percentage points, primarily due to downgrades in ADB additionality and development results.<sup>53</sup>

43. The primary reason for the downgrades in ADB additionality was that NSO projects did not demonstrate a satisfactory level of financial additionality. In many instances, borrowers had access to other sources of funding and could have secured sufficient financing on suitable terms even without ADB's involvement. In terms of development results, projects that received downgraded ratings did not meet their planned DMF indicators due to transparency issues in fulfilling ADB's reporting requirements, as well as external challenges like the pandemic. Additionally, some projects did not effectively contribute to private sector development or align with ADB's strategic objectives.



44. Legacy operations in financial institution and PEF projects undermined overall nonsovereign success. External shocks, such as the pandemic, unexpected changes in government policies, and liquidity issues in certain sectors drove the declining performance of financial institution projects. This decline reached its lowest success rate, at 35%, during 2022–2024. Legacy PEFs remained the weakest performers among NSO projects, with a success rate of 14% in 2022–2024.<sup>54</sup> The poor performance of PEFs in 2022–2024 was caused by shortcomings in project design and implementation, including poorly designed DMF performance targets, slow pace of capital deployment, poor execution of investment and exit strategies, and external issues such as exposure to vulnerable industries affected by declining prices. While legacy financial institution and PEF operations undermined the overall NSO success rate, they offer valuable

<sup>52</sup> The estimate is statistically insignificant at 5% level with  $t$  value = -0.04.

<sup>53</sup> The estimate is statistically significant at 5% level with  $t$  value = 2.40.

<sup>54</sup> IED noted that the seven PEFs evaluated in 2022–2024 were all approved in 2009–2012. In 2015, the Private Sector Operations Department's Investment Funds and Special Initiatives Division updated its Business Strategy Guidelines. The guidelines identified, among other proposals, the need for ADB to partner with experienced fund managers with demonstrated exit track records and operating expertise in targeted sectors. The guidelines have been applied to funds approved since 2015.

lessons on how ADB can recalibrate its ongoing and future NSO projects to enhance their development effectiveness (Box 4).

#### Box 4: Cohort Analysis of Nonsovereign Operations

This box presents trends in performance by approval year, utilizing data from 163 NSO projects approved between 2009 and 2020. These operations represent an average of 54% of approvals validated in 2016–2024. It also focuses specifically on nearly 100 legacy NSOs approved from 2009 to 2015, accounting for an average of nearly two-thirds of approvals validated in 2016–2024. The cohort analysis provides insights into how legacy operations may affect overall NSO performance and identify potential areas for further investigation. However, the results should be interpreted cautiously, as not all approvals are completed and validated.

Overall NSO performance increased significantly at 5.3% annually among approvals in 2009–2020 compared with 10.7% among legacy NSO approvals in 2009–2015. Legacy NSO projects demonstrated a strong performance despite the dip in success rates in 2014, which can be attributed to the effects of the 2014 oil price crash, including liquidity squeeze among banks that constrained their onlending activities to small and medium enterprises (SMEs), as well as diminished revenues of renewable energy projects given the lower cost of fossil fuels.

**Annual Growth Rate of Nonsovereign Project Success, by Approval Year (%)**



\* The estimate is statistically significant at 5% level.  
Source: IED estimates.

NSO infrastructure performance increased by 1.5% annually in 2009–2020, with legacy infrastructure operations increasing annually by the same magnitude at 1.5%. The increase in infrastructure performance was driven by energy operations, whose success rates averaged 78% in 2009–2020, compared with 44% for non-energy infrastructure in the same period. Energy projects, for instance, supported pioneer investments in the renewable energy sectors of countries, which helped spur succeeding private sector projects in the subsector. In addition, this review's analysis finds that among the 2009–2020 approvals, an infrastructure project had a 15.7 percentage points higher probability of success than a financial institution (FI) or project equity fund (PEF) project.<sup>a</sup> This result may be viewed in the context of ADB's comparative advantage in infrastructure, as well as infrastructure projects' generally more stable revenue streams compared with FI or PEF projects.

FI projects' performance decreased by 7.2% annually in 2009–2020, and by 12.4% each year among legacy FI operations in 2009–2015. The poorer performance of legacy FI projects reflects their greater susceptibility to market volatility and liquidity challenges compared with infrastructure projects. For instance, the FI success rate dropped to its lowest point at 29% in 2014 following the liquidity crunch caused by the oil price crash, which adversely affected banks' onlending to SMEs.

By evaluation criteria performance in 2009–2020, significant increases were estimated for development results at 5.2% annually, investment profitability at 5.3% annually, and work quality at 6.3% annually. In contrast, among legacy operations in 2009–2015, only investment profitability was estimated to have increased significantly at 10.2% each year.

The improvement in development results may be viewed from the perspective of ADB's greater emphasis on measuring and monitoring the performance and results of its operations. For instance, the Private Sector Operations Department in 2019 launched a Development Effectiveness flag tool, which identifies NSO projects at risk of not achieving their development results. For work quality, improvements in ADB's screening, appraisal, and structuring, as well as in monitoring and supervision were likely to have contributed to enhanced ADB performance in this criterion. Infrastructure and FI projects that met ADB's pricing requirements and complied with scheduled interest and debt repayments were likely to have supported stronger investment profitability performance.

By country classification, the success rate of NSO projects in Group C countries at 57% among 2009–2020 approvals lagged behind Group B (69%) and Group A (73%). Even among legacy operations, Group C projects recorded lower success rates than those in other country groups.<sup>b</sup> The review's analysis suggests that a legacy NSO project in Group C countries is associated with a lower probability of success—approximately 11.5 percentage points—compared to other country groups.<sup>a</sup> The greater availability of commercial financing and presence of more complex stakeholder landscapes may account for the poorer performance of legacy NSO projects in Group C countries than in other country groups.

ADB = Asian Development Bank, NSO = nonsovereign operations.

<sup>a</sup> See detailed discussions in Appendix 1 and Linked Document B.

<sup>b</sup> Among legacy NSO projects in 2009–2015, those implemented in Group C had an average success rate of 58% compared with 69% for Group B and 67% for Group A countries.

Source: Asian Development Bank (Independent Evaluation Department).

### 3. Mixed Results in Infrastructure Diminished the Contribution of Nonsovereign Operations to Regional Cooperation and Integration

45. Internal and external challenges faced by energy and non-energy infrastructure projects diminished their contribution to promoting RCI. Of the infrastructure projects evaluated in 2024, six were tagged as supporting regional cooperation and integration and these had an average 50% success rate. The six projects included three energy projects and three non-energy projects (two in AFNR and one in ICT). The following projects were rated *less than successful*: a municipal waste-to-energy project in Viet Nam, a regional cocoa farmer support project, and a regional satellite broadband project.

46. The performance of RCI operations in 2024 was bolstered by the strong background and accumulated good practice in regional expansion of climate solutions and agribusinesses of ADB and its project sponsors. Cross-border renewable energy exports also contributed to the performance of NSO RCI operations in 2024. ADB's internal knowledge of and experience in green bond verification, and project sponsors' technological expertise in export-oriented renewable energy generation and good practice in climate-smart agriculture helped deliver regional benefits.

47. However, design deficiencies and the effects of external shocks undermined some RCI projects, and they performed poorly as a result. These projects usually faced internal issues, such as poor planning and delays in regulatory approvals, alongside external shocks such as macroeconomic instability and the pandemic, which limited their development impact and RCI outcomes.

48. The projects highlight the need to enhance the risk assessment and monitoring of NSO projects aimed at fostering RCI. External shocks, including the COVID-19 pandemic and market fluctuations, disrupted agricultural value chains and broadband connectivity projects. More robust risk assessment and management, particularly in vulnerable sectors such as agriculture and ICT, could have helped these projects to withstand these challenges more effectively. The delays in regulatory approvals and evolving market conditions that affected some projects emphasize the importance of proactive stakeholder engagement and effective monitoring mechanisms. Strengthening risk assessment and monitoring would improve the support that NSO can provide for the achievement of RCI objectives, such as enhancing regional trade, improving cross-border infrastructure connectivity, and fostering sustainable and inclusive growth across Asia and the Pacific.

## C. Technical Assistance Operations

49. IED launched its TA completion report (TCR) validation system in January 2020 following the approval of TCR Validation Guidelines in 2019. Since July 2021, IED has independently validated 100% of circulated and eligible TCRs.<sup>55</sup> This section presents the third full reporting of IED-validated TA success rates.

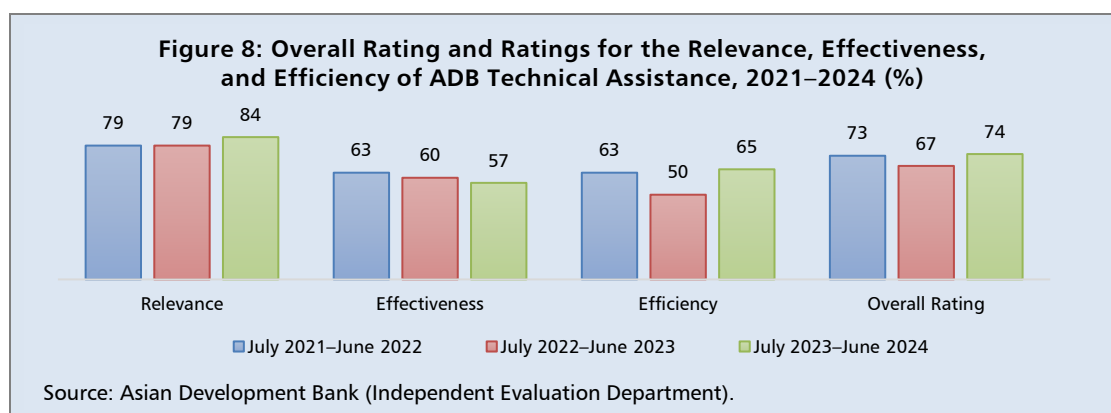
### 1. Rebound in Technical Assistance Performance Buoyed by Better Efficiency and Relevance Ratings

50. The overall TA performance in 2023–2024 rebounded to 74% after declining markedly in 2022–2023. The improvement was driven by better efficiency and relevance ratings (Figure 8). However, TA effectiveness has steadily declined since IED began validating all TCRs in 2021–2022.<sup>56</sup>

<sup>55</sup> Linked Document D presents detailed TA project performance tables.

<sup>56</sup> A steady decrease by 3–4 percentage points per year from 63% in 2021–2022 to 60% in 2022–2023 and 57% in 2023–2024.





51. The utilization of digital technology and tapping of local expertise improved the efficiency ratings of TA projects, which increased by 15 percentage points in 2023–2024. This represents a recovery from a decline in the previous period (2022–2023) of almost the same magnitude. TA projects optimized the use of flexible implementation approaches in 2023–2024 to deal with issues relating to consultant recruitment, institutional changes in countries arising from elections and government restructuring, and the pandemic’s lingering effects.

52. TA teams used hybrid models and sourced local expertise, which enhanced process efficiency. A number of TA projects used online platforms to deliver virtual meetings and training, databases, and web-based dissemination. These enabled the delivery of outputs despite the constraints brought about by the pandemic and broadened the reach of the TA operations. The engagement of qualified local consultants likewise facilitated TA progress by providing timely and context-specific support for TA implementation. Local consultants also helped address the effects of staff turnover in executing and implementing agencies. Online arrangements reduced costs, contributing to efficiency by allowing savings to be reallocated to emerging needs or to support additional TA activities that improved the delivery of TA results. TA teams’ prompt response to project-related issues, their guidance to consulting teams, and ADB’s provision of experts during high-level discussions also contributed to efficient implementation and resource utilization.

53. Realistic project designs and strategic alignment with needs and priorities improved the relevance of TA projects, which increased by 5 percentage points from the previous reporting period. TA projects that performed well for relevance were those with a strong alignment with ADB strategies and government priorities, a sound rationale, a clear results chain, and measurable DMF indicators. These successful projects were also responsive to changes during TA implementation. By ensuring they were consistent with ADB’s strategic objectives and with other initiatives by ADB and other institutions, successful TA projects were able to leverage their initial gains, build on past lessons, and maximize their responsiveness to country needs. Designs that were based on adequate consultation with the stakeholders tended to be more relevant and responsive. They led to realistic planning of activities and identification of outputs and targets, as well as the commitment and ownership of partner government agencies.

54. In contrast, weaknesses in DMFs and overly ambitious objectives drove the steady decline in effectiveness performance. DMF indicators sometimes lacked baseline, or target values or means of verification, which compromised the generation and monitoring of evidence to substantiate the achievement of envisaged development outcomes. TA validations also found that some TA projects had not adequately considered risks and had overly optimistic objectives. As a result, they only partially achieved the planned TA outcomes and outputs. Some TA projects suffered from a misalignment between TA activities and their desired results, which made it difficult to attribute their effectiveness to specific activities.



55. TA validations highlighted the importance of using appropriate metrics and well-resourced tracking and monitoring systems to support the long-term effectiveness and overall success of ADB TA. A good monitoring system that captures the DMF indicators and any changes made during implementation can steer a TA project's trajectory, increase the focus on the delivery of TA results, support effective TA implementation, and enhance the quality of evidence provided at completion. A good knowledge management system that can capture knowledge and strengthen outcome and replication potential was emphasized by several TA validations. These findings and lessons are consistent with the recommendations of the IED corporate evaluation of ADB TA, which stressed the importance of improving information and reporting systems that integrate both quantitative and qualitative indicators. This would enable ADB to monitor the TA projects across different stages, support course corrections, and generate evidence of final achievements.<sup>57</sup>

## **2. Regional Partnerships Bolster Technical Assistance Support for Regional Cooperation**

56. Regional partnerships—which enabled more efficient use of resources through the use of existing dissemination mechanisms, cost sharing, and availability of a pool of experts—also contributed to the better efficiency performance. RCI-classified TA operations in particular utilized this type of partnership, and these TA projects had higher efficiency ratings in 2023–2024 than non-RCI TA projects.

57. TA projects in 2023–2024 promoted RCI through regional policy dialogue on infrastructure policies, cross-border trade facilitation, financial and economic integration, and support for RPGs. Their activities included coordinating responses to pandemics, tackling climate change, enhancing environmental safeguards, and improving the regulatory environment in the energy sector.

58. Collaboration among stakeholders at the regional level positively contributed to the efficient implementation of RCI-classified TA projects in 2023–2024. Strong collaboration between focal points in ADB, government agencies, civil society organizations, and private sector stakeholders across countries helped keep RCI TA projects' implementation on track, reduced potential delays, enabled timely responses to government needs, and contributed to more efficient resource allocation and utilization.

59. Extensive networks among various stakeholders within the region ensured that RCI TA projects were aligned with common regional priorities and strategies, enhanced complementary outputs and interventions, and provided opportunities for cross-learning and localization of good practices, innovative solutions, and lessons. Timely adjustments to TA designs in response to changing needs also helped sustain their relevance, including delivering RPGs. To ensure their continued relevance during the COVID-19 pandemic, some TA projects promptly changed their scopes or realigned their budgets to include activities related to COVID-19 response and the assessment of the pandemic's impacts on various groups, thereby contributing to the provision of RPGs in the health sector.

## **D. Country Assistance Programs**

60. This section presents the performance of country assistance programs in 2014–2024. During this period, IED evaluated a total of 55 country programs through eight country assistance program evaluations, 45 country partnership strategy final review validations, and two country assistance program review validations. The analysis focuses on the country programs that were evaluated in 2024: country partnership strategy final review validations for Bhutan, Fiji, and Maldives, and country assistance program review validations for Nepal and the Philippines.

<sup>57</sup> IED. 2024. *Corporate Evaluation on ADB Technical Assistance Operations, 2014–2023*. ADB.

61. The success rate of country programs improved markedly from 57% in 2020–2022 to 94% in 2022–2024. Their effectiveness climbed from 57% in 2020–2022 to 88% in 2022–2024. All five country programs evaluated in 2024 were rated *effective*, having met all or nearly all their result framework target outcomes. Efficiency also increased from 56% in 2021–2023 to 69% in 2022–2024 as a result of faster processing times and improvements in financial performance through disbursement and contract award ratios.

62. The AER 2024 highlighted ADB's approach to midstream learning during country partnership strategy (CPS) implementation and to midcourse correction as an area of weakness in ADB's country engagement.<sup>58</sup> It noted that mechanisms for reviewing the objectives and the results framework of the CPS or for making midcourse corrections lacked clarity. ADB is seeking to address this recommendation by using operational priority (OP) indicators as CPS results framework indicators and allowing for updates of the CPS results framework indicators at the midterm stage of the CPS cycle.

63. However, the use of OP indicators as CPS results framework outcome indicators in the final reviews for the Maldives and Nepal country programs posed two key challenges to evaluability. First, while the OP indicators provided an additional layer of quality assurance and helped address data gaps, results for these indicators cannot always be expected in all CPS areas within a CPS period, particularly in new areas. Second, the 80% achievement target for aggregated results from completed operations does not provide information about the magnitude of results or their strategic significance at the country level.<sup>59</sup> The CPS results framework indicators are useful for reporting on ADB input and outputs but less useful for assessing country-level outcomes.

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<sup>58</sup> IED. 2024. *2024 Annual Evaluation Review*.

<sup>59</sup> Of the five country programs, the final reviews of the Maldives and Nepal country programs used operational priority indicators from the Corporate Results Framework, 2019–2024 as outcome indicators for their CPS results frameworks.



## CHAPTER 3

# Elevating ADB Support for Regional Cooperation and Integration and Regional Public Goods

# Elevating ADB Support for Regional Cooperation and Integration and Regional Public Goods

64. Development challenges do not come packaged in neat administrative boundaries. Some issues, like developing regional infrastructure or managing cross-country natural resources, may require national governments to coordinate and cooperate at a subregional or regional level. Regionally integrated markets facilitate economies of scale, foster diversification of intraregional trade, and are more competitive in the global market than small, marginalized economies. ADB's founding charter incorporated promoting RCI, recognizing the important role ADB can play in this process.<sup>60</sup> ADB supports and promotes RCI in Asia and the Pacific through providing financial resources, generating and disseminating knowledge, building institutional capacity, and acting as a catalyst and coordinator for its developing member countries.<sup>61</sup>

65. During 2022–2024, IED completed thematic evaluations of the three largest subregional programs CAREC, GMS, and SASEC, covering roughly the same time period. The synchronous availability of IED's three RCI evaluations and the midterm review (MTR) provides an important opportunity for a broader synthesis review of ADB's RCI operations within the context of the changing development landscape, increased focus on RPGs and RCI, and a transforming ADB strategy for RCI. Such a cumulative review of ADB's RCI operations can identify challenges and opportunities for improved contribution by ADB's RCI platform to the new agenda. As ADB transforms itself under Strategy 2030 and the new operating model, this moment marks a potential inflection point for mainstreaming approaches geared to the new challenges in RCI.

66. The chapter examines the performance, results, and lessons learned from ADB's support for RCI. It provides an overview of ADB's RCI operations from 1 January 2012 to 30 June 2024, a period broadly in line with that covered by the CAREC, GMS, SASEC evaluations. It aims to identify areas of strength and missed opportunities, and to inform ADB's efforts to develop a road map bridging ADB's operations with emerging RCI and RPG needs.

67. Besides the three largest programs where ADB acts as the secretariat, a financier, and a technical advisor, ADB's RCI initiatives include support for five other subregional programs that have their own secretariats and where ADB's role is mainly a technical advisor (Box 5). To various degrees these programs are aligned with ADB's strategic RCI priorities, but most of them also have additional political, social, and cultural goals and objectives. A third category of RCI initiatives comprises non-subregional operations: individual investment and TA projects that are classified by ADB as RCI, including knowledge-

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<sup>60</sup> ADB. 1965. [Agreement Establishing the Asian Development Bank](#).

<sup>61</sup> ADB. 2003. [ADB Operations Manual Policies and Procedures](#) (Section B1). Issued 30 June 2023.

based platforms or forums with regional dimensions.<sup>62</sup> Appendix 3 lists the amounts approved by ADB for its different RCI initiatives. This chapter draws on evaluations of the three largest RCI programs to assess performance, results and lessons learned from ADB's support for RCI. It also covers assessment of other subregional programs and non-subregional RCI operations. The review of the non-subregional interventions concentrates on ADB investment and TA projects that are completed with a completion report validation or whose performance has been evaluated by IED. Appendix 3 provides detailed information on the portfolio of the subregional programs and non-subregional operations. The review and analysis of other subregional programs and non-subregional operations were based on a review of strategic, program and project documents, interviews with secretariats and country focal points of the other subregional programs, and consultations with relevant ADB staff.

#### Box 5: Five Other Subregional Programs Supported by ADB

**Brunei Darussalam–Indonesia–Malaysia–Philippines East ASEAN Growth Area (BIMP-EAGA).** Established in 1994, BIMP-EAGA encompasses the sultanate of the Brunei Darussalam; the Indonesian provinces of Kalimantan, Sulawesi, Maluku, and Papua; the Malaysian states of Sabah and Sarawak and the federal territory of Labuan; and the Philippine provinces of Mindanao and Palawan. BIMP-EAGA spans 1.6 million square kilometers, and the subregion contains an estimated population of 73 million. BIMP-EAGA aims to enhance trade, tourism, and investments by improving the movement of people, goods, and services. The main areas of cooperation are maritime and air links, trade and investment facilitation, power interconnection projects, agribusiness, tourism, environment, and socio-cultural development.

**Indonesia–Malaysia–Thailand Growth Triangle (IMT-GT):** IMT-GT was launched in 1993 and aims to stimulate economic development in 32 of these three countries' less-developed states and provinces, which are home to over 54 million people. It covers 14 provinces in southern Thailand, 8 states in northern peninsular Malaysia, and 10 provinces of Sumatra in Indonesia. The program is private sector led and ADB has been a regional development partner since 2007. The program aims to promote the development of agriculture, industry, and cross-border tourism, joint and coordinated efforts in cross-border connectivity, economic corridors, and management of natural resources and biodiversity.

**Bay of Bengal Initiative for Multisectoral Technical and Economic Cooperation (BIMSTEC).** Established in 1997, BIMSTEC focuses on enhancing cross-border investment and tourism, and promoting technical collaboration among its seven member states: Bangladesh, Bhutan, India, Nepal, Sri Lanka, Myanmar, and Thailand. The sectors and sub-sectors of cooperation under BIMSTEC have evolved since 2012. In 2022, ADB and BIMSTEC formalized their partnership through a memorandum of understanding, focusing on five key areas: transport connectivity, energy connectivity and trade, trade facilitation, tourism promotion, and economic corridor development.

**South Asian Association for Regional Cooperation (SAARC).** Founded in 1985, SAARC aims to foster economic, social, and cultural development through cooperation among its eight member countries: Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka. The areas of cooperation are diverse and extensive. ADB has served as a development and knowledge partner for SAARC based on a memorandum of understanding in 2004. ADB has mainly provided technical assistance to support various studies on transport strategies and tariff policies for improving regional connectivity and facilitating intraregional trade.

**Pacific Islands Forum (PIF).** Founded in 1971, the PIF is a political and economic policy organization of 18 member states: Australia, Cook Islands, Federated States of Micronesia, Fiji, French Polynesia, Kiribati, the Marshall Islands, Nauru, New Caledonia, New Zealand, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu. Tokelau is an associate member. The PIF promotes regional dialogue, shared policies, regulations, standards, and processes, movement of people and goods across and within member countries, and the provision of regional public goods and pooled services. ADB has been a special observer of the forum since 2006.

Note: For more details, see IED. 2024. [Concept Note: 2025 Annual Evaluation Review: Support for Regional Initiatives and Public Goods](#). Sources: BIMP-EAGA. 2017. [BIMP-EAGA Vision 2025](#); Centre for IMT-GT Subregional Cooperation. 2017. [IMT-GT Vision 2036](#); BIMSTEC. [Sectors of Cooperation](#); SAARC. SAARC Secretariat [website](#); Pacific Islands Forum Secretariat. 2014. *The Framework for Pacific Regionalism*. Suva.

<sup>62</sup> Non-subregional program operations received the balance (57%) of the total RCI financing. Non-subregional program operations increased tremendously during the COVID-19 pandemic period, when ADB approved a large number of COVID-19 response projects. Many of these projects received a significant amount of financial support and were categorized by ADB as RCI projects.

68. Three broad questions guide the analysis and review in this chapter. (i) How relevant are ADB RCI strategies to the development needs of the Asia and Pacific region? (ii) How effective is ADB's support for regional initiatives and RPGs? (iii) How appropriate is ADB's governance structure for supporting RCI?

## A. ADB Regional Cooperation and Integration Strategies have been Consistent, Adaptive, and Responsive

69. ADB's organizational strategy to guide its RCI operations began with a Regional Cooperation Policy that was adopted in 1994. This was followed by a Regional Cooperation Strategy in 2006. The ADB corporate document Strategy 2030 was adopted in 2018 and an operational plan for RCI (OP7) was adopted the following year. The MTR of Strategy 2030 updated both the strategy and OP7 and was completed in August 2024. The three largest programs supported by ADB—CAREC, GMS and SASEC—have their own long-term strategic frameworks or operational plans, which reflect ADB strategies for the respective programs. ADB has no strategies for its other subregional programs, such as those described in Box 5.

### 1. ADB has Sustained its Strategic Regional Cooperation and Integration Priorities, with a Growing Emphasis on Regional Public Goods

70. Reflecting the mandate for RCI in its charter, ADB has long prioritized its RCI operations under four broad areas: (i) regional and subregional cross-border infrastructure and related regulations, procedures, and institutions, (ii) trade and investment cooperation, (iii) monetary and financial cooperation, and (iv) cooperation on RPGs. The OP7 reduced these to three pillars: connectivity, competitiveness through trade and investment, and RPGs, merging monetary and financial cooperation with the second RCI pillar.<sup>63</sup>

71. Connectivity typically includes infrastructure that links countries or subregions to facilitate easier movement of goods, services and people, but also policy and regulatory harmonization, institutional coordination, and strengthening of competitiveness (Table 2). Competitiveness—the capacity to attract investment, create jobs, and produce goods and services of adequate quality and costs to transact in external markets—is a broad category that encompasses cooperation in a range of areas such as tourism, mobility of factors of production, development of economic corridors, and improvement of trade and investment policies. Many of the activities under RPGs contribute to competitiveness as well, such as air quality control, disaster risk management, and prevention of communicable diseases.

72. ADB sharpened its strategic focus on RPGs in the MTR of Strategy 2030 in 2024. The MTR recognized that ADB's RCI operations to date had largely focused on physical infrastructure for connectivity, and trade and logistics facilitation. It argued that RPGs were becoming increasingly important, including responses to climate change, biodiversity conservation, communicable disease control, management of water and other shared resources, and ocean health.<sup>64</sup> The increased focus on RPGs in the MTR aligned with the findings of the IED evaluations of the three largest programs and with the development needs of the region.<sup>65</sup>

<sup>63</sup> Monetary and financial cooperation was included under the second RCI pillar. Examples of ADB initiatives under this category included support for the Asian Bond Markets Initiative and the Chiang Mai Initiative Multilateralization.

<sup>64</sup> ADB. 2024. *Strategy 2030 Midterm Review: An Evolution Approach for the Asian Development Bank*.

<sup>65</sup> IED. 2021. *Evaluation of ADB Support for the Greater Mekong Subregion Program, 2012–2020*. ADB; IED. 2023. *Evaluation of ADB Support for the Central Asia Regional Economic Cooperation Program, 2011–2021*. ADB; and IED. 2024. *Evaluation of ADB Support for the South Asia Subregional Economic Cooperation Program, 2011–2023*. ADB.

**Table 2: Strategic Priorities in the Three Largest Subregional Programs**

Category	CAREC 2030	GMS 2030	SASEC Operational Plan 2016–2025 (Updated 2020)
Connectivity	Connectivity <ul style="list-style-type: none"> <li>• Transport</li> <li>• Energy</li> </ul>	Connectivity <ul style="list-style-type: none"> <li>• Transport</li> <li>• Energy</li> </ul>	Connectivity <ul style="list-style-type: none"> <li>• Transport</li> <li>• Energy</li> </ul>
Competitiveness	Trade facilitation	Trade facilitation	Trade facilitation
	Trade, tourism and economic corridors	Tourism and economic corridors	Economic corridors
	Agriculture and water	Agriculture	...
	Human development <ul style="list-style-type: none"> <li>• Education</li> <li>• Health</li> </ul>	Human resources development <ul style="list-style-type: none"> <li>• Labor mobility and safe migration</li> <li>• Health</li> </ul>	...
	Economic and financial stability (macro policy coordination; financial stability; investment climate)	Urban development	...
Regional public goods	Communicable disease control, disaster risk management, climate change	Environment, climate change, biodiversity, cross-border communicable disease control	... <sup>a</sup>

... = not applicable, CAREC = Central Asia Regional Economic Cooperation, GMS = Greater Mekong Subregion, RCI = regional cooperation and integration, SASEC = South Asia Subregional Economic Cooperation.

<sup>a</sup> Green technologies and renewable energy are embedded in some specific operations.

Source: [CAREC 2030 Strategic Framework](#), [The Greater Mekong Subregion Economic Cooperation Program Strategic Framework 2030](#), and [South Asia Subregional Economic Cooperation Operational Plan 2016–2025 Update](#).

## 2. The Three Largest Programs Addressed Regional Needs, but Regional Public Goods were Supported Only Indirectly

73. The strategic framework for each of the three largest program was prepared by ADB in its role as the secretariat, in consultation with member countries and approved by them. Strategic frameworks were generally consistent with ADB's organizational RCI priorities of connectivity, competitiveness, and RPGs (Table 2). The strategies promoted physical infrastructure connectivity as a prerequisite to RCI, which was complemented by a focus on competitiveness through interventions in trade and transport facilitation, and sectoral interventions in agriculture, tourism, and human development. All the three largest programs also encompassed RPGs in varying degrees. Extensive stakeholder interviews conducted for the IED evaluations of the three largest programs revealed that the three RCI priorities remained relevant and responsive to the development needs and priorities of the programs' member countries.

74. Although RPGs are part of the strategic priorities of the three largest programs, they have generally played only a supporting role as part of either cross-cutting themes or second-tier areas (Table 2). The exception is the GMS, which has an environment working group that interacts closely with the agriculture and human resource development working groups. The geography of the GMS subregion—which is characterized by all countries sharing the Mekong River, a natural regional public good—may have contributed to the stronger orientation towards RPGs in that subregion. In CAREC 2030, RPGs were mentioned only under health in the human development cluster (although some other activities in a few clusters are RPGs as well, such as management of natural resources under agriculture and water).<sup>66</sup> RPGs were not explicitly included in any SASEC strategic documents, and few RPG activities have been initiated, despite the tremendous need in the subregion for climate adaptation and mitigation, reducing air pollution, developing and sustaining transboundary waterways, and addressing

<sup>66</sup> IED. 2023. *Evaluation of ADB Support for the Central Asia Regional Economic Cooperation Program, 2011–2021*. ADB.



environmental degradation and biodiversity loss.<sup>67</sup> In SASEC, RPGs have been largely delegated to the social and environmental components of investment projects.

75. However, all three subregional programs are now paying more attention to RPGs.<sup>68</sup> The IED evaluation of the GMS noted and supported a strategic reorientation of the program that gave more prominence to RPGs.<sup>69</sup> Following recommendations in IED's evaluations that ADB should enhance support for RPGs in CAREC and SASEC, both programs have committed to doing so.<sup>70</sup> The MTR of CAREC 2030, endorsed at the 23rd CAREC Ministerial Conference in November 2024, recommends greater emphasis on RPGs. A CAREC climate change action plan was endorsed at the same meeting. SASEC is currently preparing its new strategy until 2035 and intends broaden the focus of the program, including paying more attention to RPGs if there is a consensus for this among member countries.

76. The three largest programs have been strategically responsive to diversity across member countries and subregions even while implementing the three strategic pillars. GMS, the oldest program, has until recently maintained the widest scope of cooperation areas and working groups while SASEC, the youngest, has a higher level of sector selectivity. With most of its members being formerly planned economies, CAREC is the only program that encompasses information exchange and dialogue on macroeconomic policy, financial stability and investment climate issues. The strategic adaptation has enhanced country ownership in the programs by addressing concerns and priorities of the participating countries and further strengthened the relevance of these programs.

### 3. Other Programs and Operations were Aligned with the ADB Organizational Regional Cooperation and Integration Strategy

77. Outside the three largest programs supported by ADB—CAREC, GMS and SASEC—other subregional programs are managed by their member countries and include elements outside ADB operations, such as security or cultural exchange (Box 5). ADB has a high profile but essentially has played an advisory role in the subregional programs under different terms, such as that of a development advisor, a development partner, or an observer. ADB also participates in the ministerial and senior officials' meetings in the Brunei Darussalam–Indonesia–Malaysia–Philippines East ASEAN Growth Area (BIMP-EAGA) and the Indonesia–Malaysia–Thailand Growth Triangle (IMT-GT), and the ADB President is invited to the meetings of the heads of state in both these programs. Senior ADB officials and an ADB vice president participated in the informal finance minister's meetings of the South Asian Association for Regional Cooperation (SAARC), which are usually held on the sidelines of ADB's annual meetings. Senior representatives of ADB participate in the forum leaders' meetings and other high-level meetings in the Pacific Islands Forum (PIF).

78. No dedicated strategy has been prepared to guide ADB engagement in any of these subregional programs. This may reflect ADB's status as a technical adviser, and the fact that its main engagement to date has been TA used to provide institutional and capacity support and deliver knowledge products such as sector studies and plans.<sup>71</sup> In all the subregional programs, ADB's engagement reflected the three

<sup>67</sup> IED. 2024. *Evaluation of ADB Support for the South Asia Subregional Economic Cooperation Program, 2011–2023*. ADB.

<sup>68</sup> The GMS program identified climate change adaptation and mitigation, environment and biodiversity, communicable diseases, safe migration and trafficking amongst RPGs in its Strategic Framework 2012–2022. CAREC 2030 highlighted environmental sustainability and climate change, water resources management, sustainable energy transition, and health and communicable diseases. SASEC strategy documents did not prioritize RPGs, although its operations contributed to clean energy and climate change mitigation, and its new strategy is expected to highlight RPGs.

<sup>69</sup> IED. 2021. *Evaluation of ADB Support for the Greater Mekong Subregion Program, 2012–2020*. ADB.

<sup>70</sup> IED. 2023. *Evaluation of ADB Support for the Central Asia Regional Economic Cooperation Program, 2011–2021*. ADB; and IED. 2024. *Evaluation of ADB Support for the South Asia Subregional Economic Cooperation Program, 2011–2023*. ADB.

<sup>71</sup> The TA dominance may reflect several factors: (i) ADB's advisory role as development; (ii) emphasis by member countries that both IMT-GT and BIMP-EAGA are "private-sector led" cooperation initiatives, resulting in project pipelines low in priorities for sovereign lending; (iii) only Indonesia and Philippines are currently borrowing from ADB; Malaysia has not borrowed since the late 1990s (but has recently used reimbursable TA from ADB) while sovereign lending operations in Thailand have also been

pillars of its RCI strategy. ADB TA projects prioritized studies on connectivity, trade facilitation, and tourism in the Bay of Bengal Initiative for Multisectoral Technical and Economic Cooperation (BIMSTEC) and SAARC. The connectivity studies prepared by ADB TA projects for BIMSTEC played a significant role in informing the development of the SASEC 10-year operational plan.<sup>72</sup> In BIMP-EAGA and IMT-GT, ADB engagement focused on connectivity, trade and transport facilitation, human resource development, and tourism. ADB also initiated TA projects for green cities, environment, and climate change in IMT-GT and BIMP-EAGA.

79. Given the special challenges faced by Pacific Island countries, including their limited economic base, high service delivery costs, and great distances from each other and from global markets, ADB support for the PIF has focused mainly on improving economic competitiveness and developing a “blue economy” (sustainable use of ocean resources for economic development, while preserving the health of ocean ecosystems). ADB provided TA to help the PIF develop a regional economic plan, which focused on addressing macroeconomic resilience, stability and sustainable growth and financial resilience and access.<sup>73</sup> The plan prioritized addressing skills gaps and labor shortages resulting from labor mobility and climate change, promoting sustainable fisheries and tourism, fostering sustainable economic diversification, and implementing measures to enhance fiscal and financial resilience.

80. Non-subregional RCI operations, including investment and TA projects, were aligned to the organizational strategy. By their design, these one-off or standalone operations outside of subregional programs do not have an underlying strategy. They were classified as RCI based on support for one or more pillars of ADB’s organizational RCI strategy, though many of them lacked significant regional elements in their design. Of the 37 investment projects that were classified as RCI, only 14 had meaningful RCI elements in their design, of which seven were for connectivity, four for competitiveness and three for RPGs.<sup>74</sup> Of the 51 TA projects that were classified as RCI, 37 had substantive RCI elements, of which 54% were under pillar 2, 30% under pillar 3, and the rest were either under pillar 1 or multi-pillar. The TA projects pursued diverse activities: (i) capacity development and training in bilateral trade, including on regional macroeconomic surveillance; (ii) training of financial regulators, monitoring and reporting on the Sustainable Development Goals, tax administration, application of high-level technology in food security, and gender equality; and (iii) production of knowledge products.

## B. Improving Support for Competitiveness and Transboundary Challenges can Boost Effectiveness

81. The evaluations of the three largest programs—CAREC, GMS and SASEC—as well the review of other RCI programs and operations in this AER found that ADB RCI interventions had been relatively effective in boosting connectivity but had been less effective in supporting the other two pillars, competitiveness and RPGs.

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inactive for several years. Brunei is not a borrowing member. Some connectivity projects identified in SAARC and BIMSTEC were picked up and implemented by SASEC.

<sup>72</sup> SASEC trade facilitation efforts, for example, benefited from SAARC’s experience and practices. Many of SASEC’s transport and energy projects were drawn from SAARC’s Regional Multimodal Transport Study and Regional Energy Trade Study and BIMSTEC’s Transport Infrastructure and Logistics Study. These projects were adjusted, realigned, and tailored as needed to reflect the needs and priorities of the SASEC Program (footnote 12).

<sup>73</sup> Pacific Islands Forum Secretariat. 2022. [Pacific Roadmap for Economic Development: An Implementation Plan for the “Resources and Economic Development” Thematic Area of the 2050 Strategy for the Blue Pacific Continent](#).

<sup>74</sup> Projects classified under competitiveness were in finance, public-sector management, and industry sectors. Two of the RPG projects were in education, and one was in disaster risk management. One RPG project implemented 87 cooperation agreements with institutions in Association of Southeast Asian Nations countries to introduce innovation in vocational education with green campus initiatives; another supported strengthening of a regional campus of the University of South Pacific to broaden access across the region using IT infrastructure. Another project established a systematic platform for coordinated disaster risk management addressing inherently regional climate and disaster risks in the Pacific region. Subregional programs in Southeast Asia and Pacific regions are anchored on maritime connectivity with little role for land-based connectivity.

## 1. Regional Connectivity Has Been Enhanced, but there is Significant Room to Strengthen Support for Competitiveness

82. ADB has provided financial and technical support for the three largest programs and has served as their secretariats. Physical infrastructure, including transport and energy, accounted for nearly 80% of cumulative approvals for the three largest programs during 1 January 2012–30 June 2024. Connectivity projects, including industry and trade, comprised 87% of the approvals (Table 3). Competitiveness and RPG pillars accounted for the remaining 13%. Agriculture, natural resources and rural development, which would overlap with both competitiveness and RPGs, accounted for 3%, as did health and education together.

**Table 3: Loan and Grant Approvals for the Three Largest Programs, By Sector, 1 January 2012–30 June 2024**

Sector	Amount (\$ billion)	Shares (%)
Transport	17.70	67.00
Energy	3.26	12.00
Industry and Trade	2.14	8.00
Water and Other Urban Infrastructure and Services	1.70	6.00
Agriculture, Natural Resources, and Rural Development	0.67	3.00
Health	0.64	2.00
Education	0.25	1.00
Finance	0.02	0.10
<b>Total</b>	<b>26.38</b>	<b>100.00</b>

Note: Sector refers to the primary sector based on eOps.

Source: Asian Development Bank. (Independent Evaluation Department).

83. The three largest programs were generally effective in strengthening regional connectivity. ADB support brought together member countries to coordinate, synchronize, and finance investments in regional transport and energy infrastructure. ADB support for regional transport corridors increased the quality of travel, travel speeds, and traffic volume in the three subregions. The ADB energy portfolio has improved energy flows across member countries of the programs and will likely continue to do so.

84. The effectiveness of ADB connectivity operations varied across subsectors. Road transport operations were the most successful, building or rehabilitating network of routes long-established and agreed upon by ADB and member countries. In landlocked Central Asia, targets were exceeded for both roads and railways. In the GMS and SASEC, investments were dominated by road projects which made significant progress towards improving connectivity. In Central Asia, rehabilitating old energy infrastructure within countries and for regional network, inherited from the Soviet era, boosted ADB's contribution to regional energy connectivity, even as political factors stalled two prominent regional initiatives aimed to connect Central Asia to South Asia through Afghanistan.<sup>75</sup> Efforts to meet the rising demand from larger countries for energy supply from producers within the GMS and SASEC subregions contributed to improved energy connectivity in these regions. By contrast, the three largest programs made a smaller contribution to addressing policy and institutional constraints in connectivity infrastructure. Implementation of cross-border transport agreements and trade facilitation measures made slow or no progress. Much more could have been done to develop energy trading in SASEC and the GMS. The variation in performance mainly reflects the different levels of challenges in cross-country policy and institutional coordination faced by different subsectors.

85. The other subregional programs contributed to regional connectivity mainly through some TA-supported knowledge work and capacity development, but the contribution is unlikely to be significant due to limited support for investments in any transboundary infrastructure network. BIMP-EAGA is an

<sup>75</sup> The Turkmenistan-Afghanistan-Pakistan-India (TAPI) gas pipeline and Turkmenistan-Afghanistan-Pakistan (TAP) power interconnection project. See [www.carecprogram.org](http://www.carecprogram.org).

exception where 12 investment projects were included under its regional plan.<sup>76</sup> The bulk of ADB TA support was through “umbrella TA projects” that provided flexible but customized support in coordination with the secretariats of respective programs. These consisted of knowledge products, meetings for knowledge exchange, and capacity building.<sup>77</sup> ADB TA projects financed studies on energy trade in SAARC and studies on transport and logistics, trade facilitation, and tourism in BIMSTEC. In BIMP-EAGA and IMT-GT, ADB TA projects prepared strategic road maps, supported economic corridor planning, and facilitated trade working groups. ADB mainly played an advisory role in all these activities, and the TA resources it provided were modest. The secretariats for BIMP-EAGA, BIMSTEC, IMT-GT and SAARC could not provide any evidence on whether regional connectivity had improved as a result.<sup>78</sup> A BIMP-EAGA midterm review highlighted the achievement of program targets for intra-regional trade and connectivity, but these assessments were mainly input-based.

86. Non-subregional stand-alone RCI investment projects had limited regional effects as they were focused on single countries and not part of any regional strategic framework. Only 14 out of the 37 one-off RCI investment projects had certain regional or transboundary benefits included in their intended outcomes or impacts, although these projects were generally rated *successful* and *effective*. Several of the loans were for infrastructure in small countries that increased connectivity or links with neighbors or were for reforms linked to trade-related policies. Seven projects were connectivity-oriented in the transport, energy, and ICT sectors.<sup>79</sup>

87. ADB played a significant role in catalyzing financial and monetary cooperation to promote enhanced macroeconomic and financial stability across the Association of Southeast Asian Nations (ASEAN), Japan, the People’s Republic of China, and the Republic of Korea (collectively known as ASEAN+3). This included ADB’s successful TA support for the Asian Bond Markets Initiative and other financial cooperation to improve subregional economic surveillance to reduce financial and macroeconomic vulnerability, strengthen intra-subregional mobilization of local-currency-denominated sustainable bonds, and enhance capital market integration.<sup>80</sup> Most other RCI TA operations, however, were standalone and comprised support for similar activities being undertaken in several countries but not requiring any cross-country cooperation, such as training or capacity building on specific issues, or had no any substantive regional objectives.

88. ADB support for the three largest programs made only modest contributions to improvements in regional competitiveness. SASEC facilitated countries in meeting commitments under WTO’s Trade Facilitation Agreements and contributed to early preparations for the adoption of national single window in member countries. GMS operations had some success in supporting sustainable urban development in cross-border towns, and in developing secondary tourist destinations. Trade policy support in Central

<sup>76</sup> Investment projects labeled as BIMP-EAGA are being deemed as RCI by virtue of being listed in the regional plan. The projects lack significant regional dimensions in their design or expected outcomes, except for a trans-Borneo power grid strengthening project linking Sarawak, Malaysia and West Kalimantan, Indonesia.

<sup>77</sup> For example, ADB has approved \$6.45 million in TA support for SAARC since 2012, of which \$2.75 million financed a study on power exchange and on control of transboundary animal diseases. Similarly, \$3.42 million was approved for BIMSTEC in the same period, which also financed studies on a masterplan for transport connectivity, financing of transport connectivity, trade facilitation, and tourism.

<sup>78</sup> With the exception of some connectivity projects identified by sector studies for BIMSTEC and SAARC supported by ADB TAs. These projects were subsequently implemented by SASEC. Connectivity is not a focus of the PIF.

<sup>79</sup> Twelve of the 14 projects were rated *successful*, of which 11 were rated *effective* in achieving their intended outcomes. Among the seven connectivity projects, three transport projects and one energy project were classified under pillar 2 in the eOps.

<sup>80</sup> For example, ADB TAs effectively supported the development of a regional economic surveillance framework, along with a database and tools; the establishment of a regional facility for issuance of local currency sustainable bonds; a study on green-bond markets and index; and country capacity building in relevant fields for ASEAN+3. (IED. 2023. *Validation Report: Enhancing Regional Capacity for Economic Surveillance and Financial Vulnerability Assessment*. ADB; IED. 2021. *Validation Report: Support for ASEAN+3 Bond Market Forum under the New Asian Bond Markets Initiative Medium-Term Road Map*. ADB; IED. 2021. *Validation Report: Creating a Regional Settlement Intermediary in ASEAN+3: Cross-Border Settlement Infrastructure Forum*. ADB. IED. 2020. *Validation Report: Promoting Green Local Currency-Denominated Bonds for Infrastructure Development in ASEAN+3*. ADB; IED. 2024. *Validation Report: Creating Ecosystems for Green Local Currency Bonds for Infrastructure Development in ASEAN+3*. ADB).

Asia primarily emphasized information exchange on accession to the World Trade Organization (WTO). But there was a lack of substantive knowledge support on trade policy, especially in the more challenging areas of trade in services and post WTO-accession adaptation. Trade policy reforms faced challenges in ensuring sufficient buy-in amongst member countries, including efforts aimed at a subregion wide trade agreement.<sup>81</sup> In all three programs, no substantial results were achieved in removing border-crossing bottlenecks and non-tariff trade barriers or in developing regional value chains.<sup>82</sup> This reflects, to some extent, the inherent challenges in achieving progress in these areas but, more significantly, highlights the need to enhance ADB support to foster stronger cross-country commitment to and consensus on advancing the efforts. Substantive support for investment climate reforms was also lacking. ADB support for trade and industry did not increase private sector participation in RCI.

89. The contribution of the other subregional programs to competitiveness was also low. Some TA support for BIMP-EAGA and IMT-GT addressed trade facilitation, including time-release studies, and TA was provided to SAARC for improving trade in services and harmonization of tariffs and reducing trade barriers. No evidence is available on whether these interventions had any effect on competitiveness. No investment projects were implemented to improve competitiveness in any subregional programs, including the PIF.<sup>83</sup> Two non-subregional investment projects focused on trade policy reforms.<sup>84</sup> However, no information was available on whether the reforms were effective in increasing trade.

90. In addition to supporting government entities through its sovereign operations, ADB implemented five NSO projects that made a modest contribution to competitiveness by expanding regional trade and transactions. However, the benefits were only at the level of the beneficiary firms. For example, two projects supported regional supply chain integration by providing working capital to companies to sustain procurement and trading links between producers and markets across countries. An energy project provided equity for a private energy producer to expand into multiple countries, leading to development of major renewable energy projects and cross-border power integration. Another NSO project contributed to regional competitiveness and integration through the development and provision of low-cost, high-speed internet access to unserved, underserved, and hard-to-reach rural and remote areas in numerous countries across Asia and the Pacific.<sup>85</sup>

91. To the extent that NSOs are firm-level transactions, their effectiveness at regional or subregional levels is affected by the attributes of the recipients and of the transactions. The operations to increase regional power trade and to widen regional access to internet mentioned above had regional impact but in other instances regional effects were limited to trade transactions by the borrowing firms. NSOs have the potential to boost competitiveness in the region but ADB needs to provide a clear framework to define their role and scope in RCI.

## 2. Delivery of Regional Public Goods Constrained by Low Operational Prioritization and Insufficient Efforts

92. ADB's RCI operations were reflective of the challenging nature of promoting the provision of RPGs, which requires strong multi-country commitments and extensive policy coordination and

<sup>81</sup> IED 2023. *Evaluation of ADB Support for the Central Asia Regional Economic Cooperation Program*. ADB. (paras. 59–64).

<sup>82</sup> Notwithstanding the gap in achieving value chain outcome under the RCI initiatives, which focused on less developed subregions, the forthcoming Asian Economic Integration Report 2025 documents progress in value chain development in the Asia-Pacific region as a whole. ADB. 2025. *Asian Economic Integration Report*.

<sup>83</sup> Regional or transboundary benefits were not among the intended outcomes or impacts of any of the 12 ADB loan projects under BIMP-EAGA with the exception of the West Kalimantan Power Grid Strengthening project.

<sup>84</sup> ADB. 2016. *Report and Recommendation of the President: Proposed Policy-Based Loan and Grant for Subprogram 2 to the Kyrgyz Republic for the Second Investment Climate Improvement Program*; ADB. 2019. *Report and Recommendations of the President: Proposed Programmatic Approach and Policy-Based Loan for Subprogram 1 and 2 to the Islamic Republic of Pakistan for the Trade and Competitiveness Program*.

<sup>85</sup> ADB. 2017. [Regional: High-Value Horticulture Development Project](#); ADB. 2017. [Regional: Agricultural Value Chain Development Project](#); ADB. 2019. [Regional: AC Energy Green Bond Project](#); ADB. 2019. [Regional: Asia-Pacific Remote Broadband Internet Satellite Project](#).

consensus building.<sup>86</sup> Useful initial work has been undertaken in capacity building and knowledge sharing, but overall, the efforts and results in RPGs are low relative to the needs during the review period. ADB support for GMS made significant contributions in public health by improving health systems' performance and capacity in communicable disease control and in responding to acute public health threats in member countries. This contributed to a decline in malaria and tuberculosis cases, and a reduction in the incidence of human immunodeficiency virus and acquired immunodeficiency syndrome (HIV/AIDS) in the GMS subregion between 2012 and 2020. The GMS program did not achieve substantial progress in other RPG areas. A 2018 IED evaluation found that the Core Environment Program and Biodiversity Conservation Corridors Initiative in GMS was ambitious in scope and had made strides toward enhancing multisector engagement across the subregion, but more work needs to be done to involve agencies and sectoral ministries to mainstream the environment.<sup>87</sup>

93. Unlike the more well-established GMS, where countries share the Mekong River, the CAREC program remained primarily focused on conducting scoping studies or building consensus among member countries to advance RPGs, although RPGs were embedded within some energy sector projects, contributing to climate change mitigation. ADB technical assistance and support for knowledge sharing activities contributed to propagating renewable energy and clean technologies in national energy systems and informing formulation of energy policies to reduce greenhouse gas emissions in member countries. They also helped introduce disaster risk financing and a master plan for regional reference laboratories to be used jointly for medical diagnostics by Kazakhstan and the Kyrgyz Republic under the Almaty-Bishkek Economic Corridor. Overall, however, the support for RPGs is still mostly nascent and only limited progress has been achieved in CAREC. The low priority given to RPGs in ADB operations in SASEC reflects a lack of consensus among its members on RPG priorities and the need for better cross-country coordination. SASEC's new long-term strategic framework will not have RPGs as a separate operational priority but instead have it as a cross-cutting theme across the operational pillars, focusing on climate change and pandemic resilience.

94. ADB has not prioritized RPGs in IMT-GT and BIMP-EAGA either, but there have been some promising recent developments. ADB piloted green cities planning in IMT-GT and this will be expanded to some other Southeast Asian countries in future.<sup>88</sup> The MTR of BIMP-EAGA's Strategic Framework emphasized "addressing climate change and pursuing a green and blue recovery" and "minimizing negative impacts of urbanization on RPGs."<sup>89</sup> ADB TA projects financed a study on control of animal diseases in SAARC and a regional economic plan to prioritize a blue economy in PIF countries. However, there is no evidence that these TA projects have resulted in investments in RPGs. Feedback from interviews with officials of these subregional programs and from member countries provided no information on whether there had been any improvement in the provision of RPGs.

## C. Strengthening the Management of Regional Cooperation and Integration Operations can Lead to Greater Effectiveness

95. ADB has provided effective institutional support for RCI programs through its role as an honest broker and a technical advisor. It acts as the secretariat for CAREC, GMS, and SASEC. All the three largest programs have a generally appropriate institutional framework, and ADB's critical role in helping to set up each program and ensuring its continued relevance and functioning was noted by all three IED evaluations. ADB's honest broker role is appreciated by the member countries of both the three largest programs and the other subregional programs supported by ADB. Interviews with stakeholders indicated

<sup>86</sup> As noted later in the chapter, these issues are knowledge-, institutions-, and policy-intensive and require extensive policy dialogue, cross-country consensus building, and related knowledge work.

<sup>87</sup> The core environment program was assessed *less than effective on the borderline* in achieving its intended outcomes. See IED. 2018. [Performance Evaluation Report: Core Environment Program and Biodiversity Conservation Corridors Initiative in the Greater Mekong Subregion](#).

<sup>88</sup> Centre for IMT-GT Subregional Cooperation. 2022. [IMT-GT Implementation Blueprint 2022-2026](#).

<sup>89</sup> BIMP-EAGA. 2023. [Accelerating Cooperation Together. BIMP-EAGA Vision 2025 Mid-Term Review, 2023](#).



that they particularly appreciated ADB contributions to: (i) institutional strengthening, particularly the building of secretariat and country capacity; and (ii) development of knowledge products, such as those supporting program coordination and the development of strategies and road maps. This institutional, reputational and relationship capital provides a strong foundation for ADB's more active engagement in RCI in future.

96. The MTR of Strategy 2030 noted that ADB needed to strengthen RCI coordination across ADB units and with other multilateral development banks, provide more incentives for both clients and staff, and make more resources available for RCI.<sup>90</sup> These conclusions were supported by the findings of the evaluations of the three largest programs and by this review. ADB has supported improvements to regional connectivity in member countries for 3 decades, but countries' RCI needs are now more complex. While ADB needs to continue its efforts to close the remaining connectivity infrastructure gaps, it now needs to pivot more towards its other two pillars, competitiveness and RPGs. RCI interventions in these areas entail strong upstream and midstream knowledge work, extended policy dialogue and consensus building across countries, and effective operational and technical guidance. Such operations may sometimes require smaller investments than those aimed at connectivity, have longer gestation periods, and require the adoption of a multidisciplinary approach. Diminishing resources available for RCI projects such as the phasing out of the thematic RCI Fund (RCIF) can pose further constraints to enhancing ADB's delivery on this more complex RCI agenda. This review highlights three additional lessons: integrating sectoral and thematic expertise; addressing strategic gaps; and improving tracking of RCI initiatives.

### **1. Enhanced Contribution of Sectoral and Thematic Expertise Can Aid the Delivery of the New Regional Cooperation Agenda**

97. Experience with the competitiveness and RPGs pillars shows that effective delivery of the more complex RCI agenda can benefit from strengthened contributions of both sectoral and RCI thematic expertise to regional departments and the secretariats of RCI programs. During the review period, the contribution to RCI from sectoral expertise benefited from the coordination between sectoral and RCI secretariat staff through sharing reporting lines within a single regional department; this coordination ensured cohesion between RCI programming and project delivery. Sector policy dialogue on RCI was undertaken within the same regional department, with RCI secretariat and sector staff working in close coordination with the resident missions. Sector staff were responsible for project delivery and not for RCI but were jointly responsible with regional departments for RCI project delivery. This also mitigated the traditional lack of incentives of sector staff towards RCI per se, especially for smaller projects.

98. ADB RCI thematic work involved preparing RCI action plans, developing operational guidance (e.g., scorecard for RCI classification and guidance notes for economic corridors), implementing corporate TA projects to promote RCI innovation, managing RCI-related trust funds, organizing RCI knowledge-sharing events, and carrying out organizational reporting on RCI. It also included managing allocations from the thematic window of Asian Development Fund to incentivize RCI projects, and hosting ADB's RCI and Trade Committee, whose members comprise all the RCI-related units in ADB. RCI research work focused on providing insights on the broad progress, advancements, and trends in key areas of economic cooperation and on assessing current issues facing regional integration. It has served as a resource for ADB, policy makers, and other stakeholders to advance their RCI agenda in Asia and the Pacific.

99. The new RCI agenda necessitates enhanced guidance and support for policy dialogue and operations design, as highlighted by the evaluations of the three largest programs. Strengthened input from sectoral and thematic expertise is essential to providing this guidance and support. There must be close alignment between the expanded responsibilities of sectoral and thematic units under the more challenging RCI agenda and their staff and skill resources. Skill gaps in developing and implementing

<sup>90</sup> ADB. 2024. [Strategy 2030 Midterm Review: An Evolution Approach for the Asian Development Bank](#).



multisector or innovative knowledge-intensive projects, in domain knowledge of trade and industrial policy reforms, and in the intersection of RCI and RPGs are examples of diverse areas that need strengthening. In addition to skill enhancement and new hirings, consolidating efforts or engaging in joint or coordinated work planning for RCI delivery across different units would leverage the potential of their mutual RCI skills and functions. There are potential overlaps among those units in provision of RCI operations support and analytical and knowledge work needed for the competitiveness and RPGs pillars. Posting sector staff to the regional departments that manage RCI programs would improve RCI-related policy dialogue and project programming through improved coordination and cooperation.

## 2. Addressing Strategic Gaps is Critical for Strengthening Regional Cooperation Operations and Enhancing Impacts in Emerging Priority Areas

100. A lesson repeatedly highlighted in the evaluations of the three largest programs and confirmed by this review is the need for sound strategic guidance for RCI. As the Strategy 2030 MTR recognized, there is a gap in strategic guidance to operationalize the goal of increasing the focus on RPGs in ADB's RCI operations. The MTR noted that ADB needs to prepare an "enhanced approach to regional cooperation and public goods" to "articulate how ADB can build on existing foundations to improve the integration of RPGs into current platforms and activities, and where innovative approaches can lead to direct operational work on RPGs."<sup>91</sup> This is consistent with IED's recent evaluations of the three largest programs, which highlighted the need for ADB to strengthen knowledge and diagnostic work to help develop detailed operational plans and technical guidelines for operations in emerging RCI priority areas, including climate change, other RPGs, and private sector development. Strengthening the latter is crucial for enhancing regional competitiveness.

101. A strategic framework is also needed to define and incorporate the role of nonsovereign operations in ADB's RCI agenda. The current practice of placing cross-border infrastructure and other sovereign operations within a cross-country RCI platform can be reviewed to integrate firm-level nonsovereign operations into a regional framework where relevant and appropriate. ADB private-sector operations have already been operating in the space of RCI, such as by developing export-oriented agricultural value chains and renewable energy projects for exporting power, which can be expanded and scaled up through integration into RCI subregional programs. Trade finance that creates additionality in regional trade (i.e., trade that would otherwise not take place), nonsovereign and public-private partnership infrastructure transactions, operations of multi-national entities that are inherently regional operators unlike sovereign borrowers, and private-sector contributions to RPGs can potentially provide major opportunities to ADB's RCI platform as ADB expands the scale of nonsovereign operations.

102. ADB could benefit from adopting a strategic framework at the department level to coordinate support across the three largest programs, other subregional programs, and individual investment operations. For example, the Southeast Asia Department is already combining capacity building TA resources across the GMS, BIMP-EAGA and IMT-GT, and increasing engagement with ASEAN. Many elements under pillar 2 and Pillar 3 may spill across different subregional initiatives, highlighting the need for each regional department to formulate an overall strategic approach document to ensure coordinated support among different RCI initiatives, especially for those regional departments engaging with the largest and other subregional programs.<sup>92</sup> Such overall strategic approach would maximize the use of limited resources, ensure stronger strategic coordination between the largest subregional programs and other RCI initiatives, prevent duplication, and enhance synergy across RCI initiatives and interventions. Such department-level strategic document would not require Board approval.

<sup>91</sup> ADB. 2024. *Strategy 2030 Midterm Review: An Evolution Approach for the Asian Development Bank*, p.21.

<sup>92</sup> Regional departments prepared regional cooperation strategies along the lines of country partnership strategies until 2015. The practice stopped in part due to concerns about the value addition of regional cooperation strategies over and above the strategies for the largest subregional programs and country strategies and project pipelines.

### 3. Fine Tuning RCI Classification and Better Results Monitoring will Lead to Improved Selection of Projects with Stronger RCI Dimensions

103. The IED evaluations of the three largest programs found that ADB support had not focused enough on the regional dimensions of projects, limiting the achievement of regional outcomes. Poor project classification has led to some projects being incorrectly included as RCI. In other cases, too much attention and too many resources were diverted to weak RCI projects at the expense of support for stronger RCI projects.

104. Poor classification characterized other categories of RCI initiatives and interventions too. All 10 loans under the other subregional programs lacked regional attributes.<sup>93</sup> Of the individual investment projects classified as RCI, 23 of 37 did not specify any regional benefits as part of their intended outcomes or impacts and lacked any indicators for RCI outcomes or outputs.<sup>94</sup> Several of these projects were public sector management or finance sector projects, which typically addressed public sector management and fiscal reforms, or capital market and financial sector development within a country. The public sector management projects included six CPRO projects that were designed not for RCI but for macroeconomic and social safety support during the pandemic.

105. RCI classifications of stand-alone RCI TA projects demonstrated similar weaknesses, although to a lesser extent than with investment projects. Stand-alone TA projects classified as RCI included those that carried out parallel interventions across a number of countries for administrative convenience, such as building capacity for improving food security or providing training to financial regulators. Such interventions typically do not entail any cooperation among recipient countries although they may have improved capacity across countries. Such TA projects were classified as RCI and therefore contributed to ADB's achievement of organizational RCI targets. Of the TA projects classified as RCI, 14 of 51 did not have any regional elements in their design or RCI indicators in their DMFs. Twenty NSO operations were classified as RCI in the review period, but only eight of them had significant RCI attributes reflected in their DMFs.<sup>95</sup>

106. IED evaluations noted the absence of robust results frameworks and monitoring in all three largest programs. The other subregional programs showed little ability to monitor or evaluate beyond some program inputs. Selecting projects with low RCI attributes and failing to monitor their regional benefits properly have hindered the effectiveness of ADB's RCI platform. The existing system, including the scorecard used for classifying projects as RCI, leads to an overly positive view of ADB's RCI activities, especially for projects covering knowledge, institutions, and policies. Such projects may help ADB to achieve its organizational RCI targets, but they do not contribute to regional outcomes. The credibility of ADB's commitment to achieving strong RCI targets rests on ensuring that the pursuit of quantity targets is not hollowed out by diluting RCI attributes of projects due to project classification system. TA projects that are implemented across multiple countries solely for administrative convenience and do not require any cross-country cooperation may require a new classification, such as RCI-administrative. Similarly, investment projects outside subregional programs that focus primarily on a single country but that have RCI elements need to be distinguished from projects that are part of a broader strategic approach and lead to subregional or regional outcomes. The evaluations of the three largest RCI programs recommended stronger results monitoring and these recommendations need to be followed up. Other subregional programs and non-subregional, stand-alone RCI operations also have to improve the monitoring of their regional outcomes.

<sup>93</sup> These projects were located in different islands of the Philippines and Indonesia. Regional or transboundary benefits were not among the intended outcomes or impacts of these projects, which also lacked indicators measuring RCI results, although they were listed in the subregional or regional project pipeline.

<sup>94</sup> Although they lacked RCI indicators in their designs, two of these 23 projects had some regional dimension, with one focusing on air pollution across multiple jurisdictions within a single country and the other providing demonstration effects for disaster risk management frameworks in other Pacific islands.

<sup>95</sup> One of the RCI projects specifically targeted improving trading capacity with a country outside the Asia and Pacific region, see ADB. 2018. [Armenia: High-Efficiency Horticulture and Integrated Supply Chain Project](#) (Loan 3642/7545).



## CHAPTER 4

# Implementing Independent Evaluation Department Recommendations

# Implementing Independent Evaluation Department Recommendations

107. The Independent Evaluation Department (IED) promotes positive change at ADB through its evaluation work. This chapter reports on recent developments in management actions addressing IED recommendations, particularly on the 32 recommendations approved between 2020 and 2023 and completed in reporting year (RY) 2024. The review examines trends in accepted IED recommendations as recorded in the Management Action Record System (Box 6); the quality of management action plans; progress on implementation; and IED's impact on ADB operations.

### Box 6: Management Action Record System

The Management Action Record System (MARS) is ADB's online platform for capturing and tracking management actions in response to accepted IED recommendations. MARS requires close interaction between IED and ADB Management. IED makes recommendations in consultation with Management, after which Management prepares an action plan with specific targets, indicators, and timelines. Draft action plans are due within 90 days of the Development Effectiveness Committee (DEC) meeting that discussed the recommendations. At each due date, Management actions undergo a two-stage assessment: Management self-assessment followed by IED validation. MARS records any differences between the two assessments and the status of recommendations. Reporting on recommendations and action plans is done over a calendar year, while implementation results are tracked from October to September to align with the Annual Evaluation Review timetable. As of December 2024, MARS had tracked 577 fully accepted and 23 partly accepted recommendations, with 532 completed and 68 ongoing. MARS did not track the 65 recommendations that were not accepted by Management.

Source: Asian Development Bank (Independent Evaluation Department).

## A. Management Acceptance of IED Recommendations

108. Management generally accepts IED recommendations because they are specific, measurable, assignable, realistic, and time bound. Technical meetings between Management and IED have strengthened the formulation of recommendations, ensuring quality, clarity, and common understanding.<sup>96</sup> This has improved the link between evaluation findings and recommendations and made recommendations more actionable, resulting in feasible pathways to improvements. The acceptance rate of IED recommendations consistently exceeded 90% during calendar year (CY) 2019 to CY2023. In CY2024, Management fully accepted 93% of recommendations and partly accepted two recommendations.<sup>97</sup>

<sup>96</sup> IED makes recommendations to which Management responds with action plans. While IED is solely responsible for the recommendations it makes, it consults with Management before finalizing recommendations. Management is solely accountable for designing and implementing the resulting action plans.

<sup>97</sup> Management supported improving coordination and promoting loan instruments but disagreed with replacing annual resource allocations with medium-term rolling allocations. Management was also concerned about using reimbursable TA for project preparatory work above a threshold in group A and B developing member countries due to their low capacity.

109. For the recommendations during CY2019 to CY2023 that were either partly or fully rejected, reasons for non-acceptance included management concerns about the complexity of the issues; differences of opinion on the nature of the problem and potential solutions; challenges in implementation, including limited staff capacity to deliver what the recommendation required; and the budgetary implications of addressing the recommendations.

## B. Developing Management Action Plans

110. Management action plans generally demonstrated ADB's commitment to addressing accepted IED recommendations. Around 75% of action plans completed during RY2019-RY2024 were considered *relevant* and *specific* (Appendix 4 and 5).<sup>98</sup> The remaining action plans were assessed *partly relevant* or *partly specific*, mainly due to poorly designed action plans.<sup>99</sup>

111. Strong action plans incorporated clear, specific, and measurable indicators and milestones, and were systematically embedded in broader policy and institutional reforms. They were also aligned with Strategy 2030 and encompassed structured capacity building activities. Table 4 examines the strengths and weaknesses of the completed action plans in RY2024.

**Table 4: Comparison Between Strong and Poor Action Plans, Reporting Year 2024**

Strong Action Plans (no.=30)	Poor Action Plans (no.=2)
<ul style="list-style-type: none"> <li>• <b>Embedding reforms within core operations.</b> Effective action plans integrated lessons from pilots into core operations, ensuring scalability and sustainability of reforms. (no.=30)</li> <li>• <b>Systemic integration and alignment.</b> Good action plans ensured activities are embedded in broader policy and institutional reforms, aligning objectives with strategic reforms for long-term sustainability. (no.=29)</li> <li>• <b>Clear, specific, and measurable commitments.</b> Good action plans set well-defined, quantifiable objectives with clear outcomes, broken down into specific tasks and milestones for effective tracking and evaluation. (no.=27)</li> <li>• <b>Well-defined indicators and timely milestones.</b> Good action plans included specific, measurable, and time bound indicators and milestones to monitor progress and allow for regular evaluation and adjustment. (no.=24)</li> <li>• <b>Strong alignment with Strategy 2030.</b> Good action plans prioritized actions that contributed directly to the operational priorities in Strategy 2030, ensuring strategic focus on broader development goals. (no.=22)</li> <li>• <b>Structured capacity building and continuous learning.</b> Well-designed action plans focused on continuous learning and staff development through regular training, mentorship, and skill development opportunities. (no.=18)</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Weak strategic alignment with operational priorities.</b> Poor action plans focused on outputs (e.g., conducting training or publishing reports) rather than on ensuring that actions contributed to broader development goals or strategic priorities. (no.=2)</li> <li>• <b>Vague or overly broad commitments.</b> Poor action plans often agree with recommendations but lack clear, specific, and measurable targets. This makes it hard to implement the plan, track progress, and assess the actual impact of the actions. (no.=1)</li> <li>• <b>Over-reliance on technical assistance and pilot projects.</b> Instead of embedding reforms in core operations, many poor action plans relied on technical assistance or pilot projects, leading to fragmented and temporary solutions. (no.=1)</li> <li>• <b>Lack of well-defined indicators and milestones.</b> Poor action plans set broad targets without specific timeframes, making it difficult to track progress or evaluate success. (no.=1)</li> <li>• <b>Gaps in continuous improvement of knowledge and skills.</b> Poor action plans often had gaps in continuous improvement of knowledge and skills, particularly in terms of staff development and capacity building. (no.=1)</li> </ul>

no.= number

Note: The design of action plans can exhibit several key features of a strong plan.

Source: ADB (Independent Evaluation Department).

<sup>98</sup> The quality of action plan design is assessed based on how relevant and specific it is. Relevance is the extent to which an action plan is aligned with the original intent of the IED recommendation and management response. Specificity is the extent to which the action plan shows clear and appropriate targets, outputs, and indicators.

<sup>99</sup> These action plans are from sector-wide evaluations made up 35%, followed by corporate and thematic evaluations (33%), country evaluations (15%), annual reports (10%), and sector assistance program evaluations (8%).

112. Table 5 outlines the broad alignment between IED recommendations and Management responses and actions plans across select operational areas during CY2019 to CY2024.

**Table 5: Alignment of Independent Evaluation Department Recommendations and Management Action Plans, Calendar Years 2019–2024**

Operational Area	IED Recommendations	Management Action Plans
1. Strategic alignment and goal setting	<ul style="list-style-type: none"> <li>Emphasized raising goal levels in areas such as climate action, gender equality, and regional cooperation</li> </ul>	<ul style="list-style-type: none"> <li>Reflected a commitment to these goals by setting clear and measurable objectives</li> </ul>
2. Data-driven decision-making	<ul style="list-style-type: none"> <li>Stressed the need for robust diagnostics and evidence-based planning</li> </ul>	<ul style="list-style-type: none"> <li>Enhanced monitoring and evaluation systems to track progress and measure outcomes</li> </ul>
3. Programmatic and thematic approaches	<ul style="list-style-type: none"> <li>Highlighted the shift from isolated projects to broader, programmatic strategies addressing such themes as food security and rural development</li> </ul>	<ul style="list-style-type: none"> <li>Supported this shift by adopting integrated and thematic approaches</li> </ul>
4. Collaboration and coordination	<ul style="list-style-type: none"> <li>Underscored improved coordination across departments and with external stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Highlighted the importance of a "One ADB" approach and broader stakeholder engagement</li> </ul>
5. Capacity building and institutional strengthening	<ul style="list-style-type: none"> <li>Emphasized the need for capacity-building programs for staff and support for developing member countries</li> </ul>	<ul style="list-style-type: none"> <li>Included initiatives to strengthen staff skills and support DMC capacity</li> </ul>
6. Policy and framework development	<ul style="list-style-type: none"> <li>Called for revising outdated policies and developing new frameworks</li> </ul>	<ul style="list-style-type: none"> <li>Reflected a commitment to policy modernization and the creation of a comprehensive action framework</li> </ul>
7. Private sector operations	<ul style="list-style-type: none"> <li>Recommended ways to enhance ADB's role as a catalyst for private investment</li> </ul>	<ul style="list-style-type: none"> <li>Promoted scaling up risk mechanisms, improving project design and due diligence, and fostering partnerships with private entities</li> </ul>
8. Innovation in financing	<ul style="list-style-type: none"> <li>Called for leveraging innovative financial instruments</li> </ul>	<ul style="list-style-type: none"> <li>Included strategies to use ADB's financial resources more effectively</li> </ul>
9. Focus on development outcomes	<ul style="list-style-type: none"> <li>Emphasized projects delivering tangible development outcomes is a priority</li> </ul>	<ul style="list-style-type: none"> <li>Highlighted results-oriented design and sustainability</li> </ul>
10. Sustainability and long-term impact	<ul style="list-style-type: none"> <li>Consistently stressed the importance of sustainability and climate resilience</li> </ul>	<ul style="list-style-type: none"> <li>Included measures to ensure long-term impact and resilience</li> </ul>

ADB = Asian Development Bank, DMC = developing member country, IED = Independent Evaluation Department.

Source: ADB (Independent Evaluation Department).

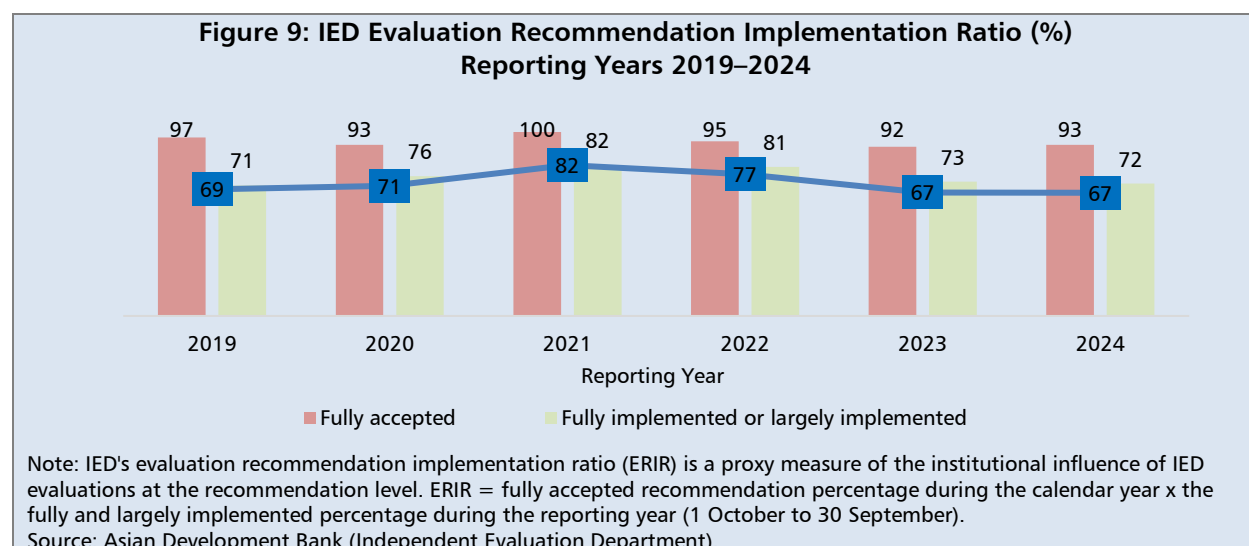
113. The quality of action plans could be further improved by ensuring they directly address IED recommendations and provide clear, measurable targets, outputs, and indicators that can be effectively implemented and monitored. The practice of conducting informal consultations between implementing departments and IED before action plans are uploaded to MARS was useful in strengthening the quality and suitability of the plans, and in linking them to the recommendations they sought to address. Frequent or real-time reporting and the flexibility to enable action plans to be changed mid-course if necessary helpful. When outcome indicators are included in action plans, they also make it easier to measure success and to ensure a focus on tangible results and continuous performance improvement.

## C. Implementing Management Action Plans

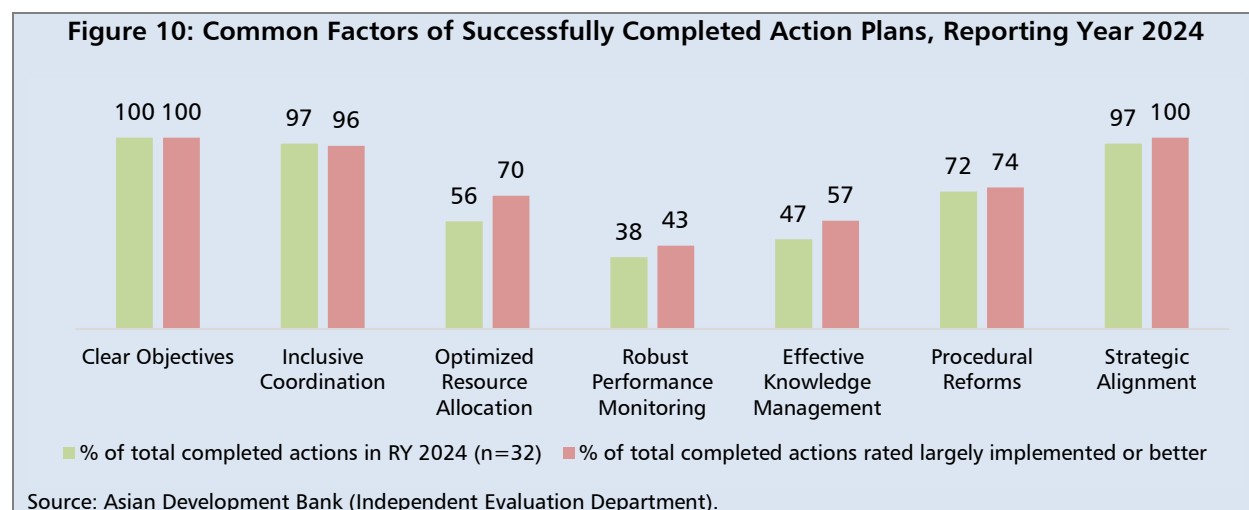
114. On average, 75% of management action plans in RY2019 to RY2024 were rated *fully implemented* or *largely implemented* (Appendixes 4–6).<sup>100</sup> Action plan implementation has been stable, reaching peaks in RY2021–RY2022, before stabilizing near the RY2019 level during RY2023–RY2024

<sup>100</sup>Implementation success is assessed by the progress made in carrying out the action plan.

(Figure 9). The incomplete implementation of some action plans was due to unclear targets, a lack of concrete steps taken, insufficient reforms, poor integration and coordination, weak monitoring mechanisms, country-specific constraints, and political or operational challenges.



115. Ongoing collaboration and monitoring between Management and IED have been key to successful implementation of most action plans. Action plans with clear links to ADB priorities were more likely to be implemented. Other common characteristics of successful action plans during RY2024 included good designs (with clear timelines, resources, and attention to institutional barriers), consistent management support, and good communication and coordination (Figure 10).



## D. IED Influence and Impact

116. Since 2019, IED recommendations have helped shape ADB's organizational structure, frameworks and policies, country programming, knowledge and partnerships, and private sector operations (Appendix 7). Box 7 contains two case examples of IED's influence on ADB operations.



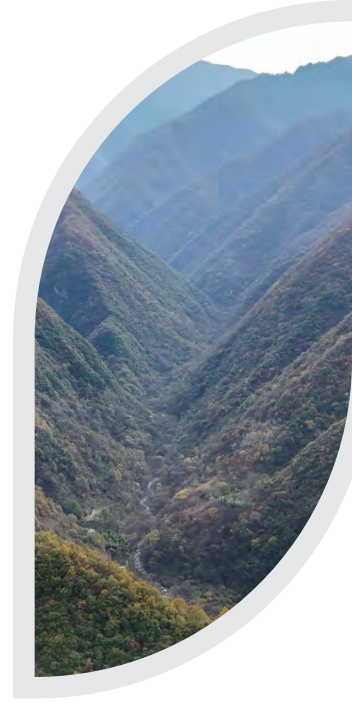
### Box 7: IED's Influence on ADB

**Ensuring Corporate Coherence in ADB.** The 2022 corporate evaluation [One ADB: ADB's Approach to Delivering Strategy 2030](#) contained five recommendations. These contributed to ADB's transformation, providing insights and a clear road map for enhancing corporate coherence, operational efficiency, and engagement with the private sector. Management responded to recommendation 1 ("strengthen the corporate coherence of the One ADB approach by developing an explicit plan of selective, purposely sequenced, and achievable institutional reforms over the medium term") with a paper in October 2022 "Organizational Review: A New Operating Model to Accelerate ADB's Transformation Towards Strategy 2030 and Beyond." The paper outlined reforms to help ADB achieve its Strategy 2030 goals, including an organizational review, a resident mission review, and various cultural and digital transformation initiatives, all aligned with the "One ADB" approach. Management addressed recommendation 2 ("support implementation of Strategy 2030 by establishing a dedicated change management team, with responsibility for coordinating and monitoring the rollout of reforms in management systems and processes, staff training, and monitoring) by setting up the Transformation Office to help drive reforms, ensuring that ADB departments have clear targets and ways to track progress. Management action on recommendation 3 ("strengthen the One ADB approach to knowledge by submitting knowledge outputs of TA projects to a formal quality review and making them more accessible") is ongoing and aims to strengthen the One ADB approach to knowledge. In response to recommendation 4 ("accelerate the integration of PSOD into the country-level matrix as an equal partner and as a core member of the CMT"), ADB strengthened cross-departmental collaboration by integrating the Private Sector Operations Department into country and regional management teams. This has helped improve ADB's work with the private sector in upper middle-income countries (UMICs), focusing on agribusiness, finance, and social areas. The implementation of actions in response to recommendation 5 ("strengthen the country-focused model through a matrix approach and better collaboration at the country level") is also progressing well, with better collaboration at the country level in UMICs, helping ADB leverage business development opportunities.

**Enhancing Knowledge Management in ADB.** The 2020 corporate evaluation [Knowledge Solutions for Development: An Evaluation of ADB's Readiness for Strategy 2030](#) emphasized the need to (i) align ADB's culture with knowledge goals, (ii) improve collaboration, and (iii) remove barriers to information sharing. It recommended better integration between operations and knowledge units. It stressed that ADB needed to ensure that knowledge initiatives supported operational goals, and that it should provide clear metrics and benchmarks so it could monitor long-term improvements.

ADB has made strong progress in implementing these recommendations, including making significant improvements to its Knowledge Management Action Plan (KMAP). These have included updating KMAP and modernizing the ADB corporate results framework. Key milestones have included developing a detailed knowledge management results framework and achieving ISO 30401: 2018 certification for knowledge management systems. ADB's new operating model introduced more rigorous quality reviews and improved the peer review process by involving sector specialists in reviewing concept papers and final documents. Ongoing reforms will ensure that departments and units can contribute meaningfully throughout the design of operations, not just at the end, leading to better collaboration across units.

Source: Asian Development Bank (Independent Evaluation Department).



## Appendixes

## APPENDIX 1: METHODOLOGY

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1. The 2025 Annual Evaluation Review employed a mixed-methods approach to examine the performance of sovereign and nonsovereign ADB operations.

### A. Quantitative Analysis

#### 1. Performance Trend Analysis

2. The review analyzed trends using two complementary approaches. First, the annual trend analysis examined success rates based on validation years for sovereign and nonsovereign operations. A regression model estimated annual changes in success rates:

$$Y_{it} = \alpha + \beta t + \varepsilon_{it}$$

where  $Y_{it}$  is the success rate of project  $i$  validated in year  $t$ ,  $t$  is the time trend variable,  $\beta$  measures the annual percentage change in success rates, and  $\varepsilon_{it}$  is the error term. This approach accounts for variations in validated operations across years, with statistical significance tested at 1% or 5%.

3. Second, the review analyzes trends by approval year through cohort analysis to determine how legacy operations affect overall sovereign and nonsovereign success. For sovereign operations, this covers 567 sovereign operations approved between 2008 and 2020, representing an average of 57% of approvals validated in 2016–2024. The legacy sovereign operations comprise 464 operations approved in 2008–2015, accounting for an average of nearly 80% of approvals validated in 2016–2024.

4. For nonsovereign operations, the analysis includes 163 NSO projects approved between 2009 and 2020, representing an average of 54% of approvals validated in 2016–2024. The legacy nonsovereign portfolio includes about 100 projects approved from 2009 to 2015, accounting for an average of nearly two-thirds of approvals validated in 2016–2024.

5. For both sovereign and nonsovereign operations, the period covered by the legacy operations was identified based on the operations' average implementation period of around 6-7 years, and the proportion of validated operations against approvals.

#### 2. Probit Analysis

6. A fixed effect probit regression model estimates the probability of project success while controlling for multiple factors:

$$\Pr(Y_{it}=1) = \Phi(\theta_i + X'_{it}\beta) \text{ where } i = 1, 2 \dots N \text{ and } t = 1, 2 \dots T.$$

$Y_{it}$  is the binary success indicator,  $\Phi$  is the cumulative normal distribution function,  $\theta_i$  is the individual-specific intercepts or fixed effects,  $X_{it}$  is a vector of covariates that represents characteristics specific to sovereign and nonsovereign operations, and  $\beta$  is a vector of coefficients.

7. For sovereign operations, explanatory variables included approval period, project complexity, loan size, implementation delays, country groups, sectors, and financing modality. The model incorporated country fixed effects to account for unobserved characteristics that were unique to each country and remained stable over time, such as institutional capacity, governance structures, and other country-specific factors that may influence project performance.

8. The probit analysis of nonsovereign operations incorporated several independent variables: the operational sector (categorized as infrastructure, financial institutions, or private equity funds), the size of the loan provided, the country's group according to ADB's classification (A, B, C, or regional), and the timing of project approval (recent approvals from 2014–2021 or earlier approvals from 2004–2013). Fixed effects variables controlled for time-invariant factors in the regression analysis, including the country of operation, the country classification, the year when the project was approved, as well as standardized ratings for both economic performance (a component of development results) and ADB's quality of work.

9. The probit analysis used the scope of portfolios and legacy periods identified in the cohort analysis. See Paras 3–5 in Section A.1 above.

10. The marginal effect of the approval period on success probability was:

$$\partial \Pr(Y=1)/\partial X_1 = \phi(X'\beta)\beta_1$$

where  $\phi$  is the normal density function. The marginal effect measures how a small change in an explanatory variable affects the probability of the outcome, while maintaining all other variables at their constant values.

### 3. Performance Metrics

11. The quantitative analysis examined multiple performance dimensions for sovereign and nonsovereign operations, including overall success rates, performance by evaluation criteria (relevance, effectiveness, efficiency, sustainability), sectoral and regional patterns, and implementation indicators. For nonsovereign operations, additional dimensions included development results, ADB's additionality, investment profitability, and ADB work quality.

## B. Qualitative Analysis

12. The qualitative analysis provided context for a document review encompassing project or program validation reports; project documents; evaluation reports, including those covering the three largest RCI programs; evaluations; strategy documents; and operational policies.

13. Stakeholder consultations involved interviews with sovereign and nonsovereign operations staff, sector and thematic groups, resident missions, executing agencies, and private sector clients. These provided insights into operational challenges and success factors unique to public and private sector operations.

14. The thematic analysis involved systematic coding of success and constraint factors from validation reports, identification of recurring patterns, analysis of operational lessons, and assessment of institutional systems affecting both sovereign and nonsovereign performance.

## C. Integration of Methods

15. The quantitative and qualitative components were integrated throughout the analysis. Statistical findings were interpreted using operational insights, while performance patterns were explained using documented evidence. Success factors were validated across methods, with recommendations drawing on empirical trends and contextual understanding. This mixed-methods approach enabled a comprehensive assessment of ADB's sovereign and nonsovereign operations to be made with a view to generating practical insights for improving development effectiveness.

## APPENDIX 2: INDEPENDENT EVALUATIONS COMPLETED IN 2024

**Table A2.1: Independent Evaluations Completed in 2024<sup>a</sup>**

Evaluation Type	Title	Board Circulation Date
Annual Evaluation Review	2024 Annual Evaluation Review: Drivers of ADB's Country Engagement Approach and Quality	22 Apr 2024
Corporate and Thematic Evaluation	Midterm Evaluation of Strategy 2030-Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific	09 Feb 2024
Corporate and Thematic Evaluation	ADB Plan for Operational Priority 5: Promoting Rural Development and Food Security, 2019–2024	26 Apr 2024
Corporate and Thematic Evaluation	Evaluation of ADB Support for the South Asia Subregional Economic Cooperation Program, 2011–2022	06 Sep 2024
Corporate and Thematic Evaluation	ADB's Support for Accelerating Progress in Gender Equality	12 Nov 2024
Corporate and Thematic Evaluation	ADB's Private Sector Operations Strategic Approach and Results, 2019–2024	7 Oct 2024
Corporate and Thematic Evaluation	ADB's Technical Assistance Operations, 2014–2023	4 Nov 2024
Project Performance Evaluation Report	South Asia Subregional Economic Cooperation Trade Facilitation Program in Bangladesh, Bhutan, and Nepal	22 Jul 2024
Project Performance Evaluation Report	PRC: Shanghai SUS Environment Company Limited Eco-Industrial Park Waste-to-Energy Project <sup>b</sup>	10 Jan 2025
Project Performance Evaluation Report	Indonesia: PT. Supreme Energy Muara Laboh – Muara Laboh Geothermal Power Project	06 Mar 2024
Topical Paper	Evidence and Gap Map on Global Value Chain Interventions: Are ADB Projects Aligned with the Evidence?	10 Jan 2024
Topical Paper	ADB Supporting Further Action on Climate Change	12 Nov 2024
Topical Paper	ADB Support for the Transition from Crisis Response to Long-Term Development	12 Nov 2024
Validation of CAPR	Philippines: Validation of the Country Assistance Program Review, 2018–2023	10 May 2024
Validation of CAPR	Nepal: Validation of the Country Assistance Program Review, 2020–2024	20 Sep 2024
Validation of CPS Final Review	Fiji: Validation of the Country Partnership Strategy Final Review, 2019–2023	30 Apr 2024
Validation of CPS Final Review	Bhutan: Validation of the Country Partnership Strategy Final Review, 2019–2023	20 Jun 2024
Validation of CPS Final Review	Maldives: Validation of the Country Partnership Strategy Final Review, 2019–2023	22 Oct 2024

ADB = Asian Development Bank, CAP = country assistance program review, CPS = country partnership strategy, IED = Independent Evaluation Department, PRC = People's Republic of China.

<sup>a</sup> Excludes project completion reports, extended annual review reports, and technical assistance completion report validation reports.

<sup>b</sup> Approved for circulation in 2024. The project performance evaluation report was circulated to the Board of Directors and Management on 10 January 2025.

Sources: Independent Evaluation Department.

**Table A2.2: Project Completion Report Validations Completed in 2024**

Project No.	DMC	Project	PCR Circulation Date
49006-003	GEO	Electricity Transmission Sector Reforms Program	7 Jul 2023
38412-013	IND	Assam Integrated Flood and Riverbank Erosion Risk Management Investment Program (Tranches 1 and 2; and Multitranche Financing Facility)	11 Jul 2023
38412-023			
38412-033			
43069-012			
49214-002	IND	Solar Transmission Sector Project	17 Jul 2023
41074-013	INO	West Kalimantan Power Grid Strengthening Project	3 Aug 2023
42007-018	UZB	Small Business Finance Project	11 Aug 2023
46537-002	KGZ	Strengthening Education System Sector Development Program	17 Aug 2023
44057-012	LAO	Second Private Sector and Small and Medium-Sized Enterprises Development Program (Subprograms 1 and 2)	22 Aug 2023
44057-013			
50373-002	SRI	Rooftop Solar Power Generation Project	25 Aug 2023
52146-001	LAO	Strengthening Public Finance Management Program (Subprogram 1)	1 Sep 2023
52173-001	PHI	Local Governance Reform Program	4 Sep 2023
52173-003			
47334-002	IND	Supporting Kerala's Additional Skill Acquisition Program in Post-Basic Education	5 Sep 2023
37143-023	IND	North Eastern State Roads Investment Program - Tranche 1	14 Sep 2023
48452-004	PRC	Shaanxi Accelerated Energy Efficiency and Environment Improvement Financing Project	14 Sep 2023
52303-001	MON	Managing Solid Waste in Secondary Cities	19 Sep 2023
38350-013	NEP	South Asia Subregional Economic Cooperation Road Connectivity Project	20 Sep 2023
55041-001	BAN	Strengthening Social Resilience Program (Subprograms 1 and 2)	25 Sep 2023
55041-003			
47136-003	CAM	Upper Secondary Education Sector Development Program	2 Oct 2023
50016-001	INO	Sustainable Energy Access in Eastern Indonesia—Electricity Grid Development Program	4 Oct 2023
35290-033	IND	North Eastern Region Capital Cities Development Investment Program – Tranche 2	5 Oct 2023
42401-014	AZE	Power Distribution Enhancement Investment Program (Multitranche Financing Facility)	10 Oct 2023
46535-001	TAJ	Strengthening Technical and Vocational Education and Training	10 Oct 2023
44037-014	PRC	Shaanxi Weinan Luyang Integrated Saline Land Management Project	17 Oct 2023
44429-013	IND	Climate Adaptation in Vennar Subbasin in Cauvery Delta Project	19 Oct 2023
35290-013	IND	North Eastern Region Capital Cities Development Investment Program (Tranche 3 and Multitranche Financing Facility)	21 Nov 2023
35290-043			
46062-002	PRC	Gansu Baiyin Integrated Urban Development Project	24 Nov 2023
41456-033	VIE	Water Sector Investment Program – Tranche 2	4 Dec 2023
53221-001	PAK	Third Capital Market Development Program (Subprogram 1 and 2)	5 Dec 2023
53221-002			
53221-003			
48266-002	IND	Second Rural Connectivity Investment Program (Tranche 2 and Multitranche Financing Facility)	6 Dec 2023
48226-004			
47305-002	UZB	Horticulture Value Chain Development Project	6 Dec 2023
47305-004			
49094-001	BAN	Railway Rolling Stock Project	7 Dec 2023
45089-002	PHI	Senior High School Support Program	7 Dec 2023
49424-001	NEP	Supporting School Sector Development Plan	8 Dec 2023
44263-013	CAM	Inclusive Financial Sector Development Program	12 Dec 2023
44263-015			
44263-016			
46047-002	PRC	Guangxi Nanning Vocational Education Development Project	12 Dec 2023
40648-034	IND	Infrastructure Development Investment Program for Tourism (Tranche 3)	12 Dec 2023
42466-015	BAN	Skills for Employment Investment Program – Tranche 1	12 Dec 2023
40648-013	IND	Infrastructure Development Investment Program for Tourism (Tranche 4 and Multitranche Financing Facility)	15 Dec 2023
40648-037			
47182-001	SRI	Southern Road Connectivity Project	15 Dec 2023
46293-005	VIE	Greater Mekong Subregion Tourism Infrastructure for Inclusive Growth Project	26 Dec 2023

Project No.	DMC	Project	PCR Circulation Date
42378-017	BAN	Power System Expansion and Efficiency Improvement Investment Program (Tranche 3)	26 Dec 2023
50028-001 50028-002	REG	Pacific Disaster Resilience Program (Phases 1 and 2)	26 Dec 2023
38254-013 38254-063	IND	North Karnataka Urban Sector Investment Program (Tranche 4 and Multitranche Financing Facility)	27 Dec 2023
55116-001	FIJ	Sustainable and Resilient Recovery Program	8 Jan 2024
43464-023	IND	Himachal Pradesh Clean Energy Transmission Investment Program (Tranche 1)	10 Jan 2024
46079-002	PRC	Guangdong Chaonan Water Resources Development and Protection Demonstration Project	10 Jan 2024
55016-001	TON	Economic Recovery Support Program	11 Jan 2024
47009-002	PRC	Guangxi Baise Vocational Education Development Project	12 Jan 2024
41504-013 41504-023 41504-025	PNG	Town Electrification Investment Program (Multitranche Financing Facility and Tranche 2)	15 Jan 2024
37143-033	IND	North Eastern State Roads Investment Program - Project 2 and Multitranche Financing Facility	15 Jan 2024
46042-002	PRC	Shaanxi Mountain Road Safety Demonstration Project	16 Jan 2024
42266-023	IND	Kolkata Environmental Improvement Investment Program - Tranche 1	16 Jan 2024
46416-002	ARM	Power Transmission Rehabilitation Project	16 Jan 2024
40540-014 40540-017	BAN	South Asia Subregional Economic Cooperation Road Connectivity Project	18 Jan 2024
48218-010	NEP	Food Safety and Agriculture Commercialization Program	18 Jan 2024
46040-003	PRC	Yunnan Pu'er Regional Integrated Road Network Development Project	19 Jan 2024
42267-026	IND	Rajasthan Urban Sector Development Program	22 Jan 2024
54269-001	UZB	Power Sector Reform Program (Subprogram 1)	23 Jan 2024
50096-002	PRC	Air Quality Improvement in the Greater Beijing-Tianjin-Hebei Region—China National Investment and Guaranty Corporation's Green Financing Platform Project	25 Jan 2024
42278-024	LAO	Second Strengthening Technical and Vocational Education and Training Project	25 Jan 2024
43072-013	KIR	South Tarawa Sanitation Improvement Sector Project	25 Jan 2024
49043-001 49043-002 49043-003	INO	Sustainable and Inclusive Energy Program	29 Jan 2024
41509-013	PNG	Rural Primary Health Services Delivery Project	29 Jan 2024
54271-001 54271-002	GEO	Fiscal Resilience and Social Protection Support Program (Subprograms 1 and 2)	29 Jan 2024
41403-013	CAM	Urban Water Supply Project	30 Jan 2024
44240-013	BHU	Urban Infrastructure Project	30 Jan 2024
46351-002	TON	Climate Resilience Sector Project	30 Jan 2024
41682-039	THA	Greater Mekong Subregion Highway Expansion Phase 2 Project	31 Jan 2024
49331-001	VIE	Financial Sector Development and Inclusion Program	31 Jan 2024
45509-002	PRC	Chongqing Urban-Rural Infrastructure Development Demonstration II Project	31 Jan 2024
52225-001 52225-002 52225-003 52225-004	KGZ	Promoting Economic Diversification Program (Subprograms 1, 2 and 3)	17 May 2024
49419-002	IND	Solar Rooftop Investment Program (Tranche 1)	24 Jun 2024
46293-003	LAO	Greater Mekong Subregion Tourism Infrastructure for Inclusive Growth Project	24 Jun 2024
49117-002 49117-003 49117-004	PHI	Facilitating Youth School-to-Work Transition Program (Subprograms 1, 2, and 3)	24 Jun 2024

ARM = Armenia, AZE = Azerbaijan, BAN = Bangladesh, BHU = Bhutan, CAM = Cambodia, CARES = COVID-19 Active Response and Expenditure Support, COVID-19 = coronavirus disease, CPRO = COVID-19 Pandemic Response Option, DMC = developing member country, FIJ = Fiji, GEO = Georgia, IND = India, INO = Indonesia, KGZ = Kyrgyz Republic, KIR = Kiribati, LAO = Lao People's Democratic Republic, MON = Mongolia, NEP = Nepal, PAK = Pakistan, PCR = project completion report, PHI = Philippines, PNG = Papua New Guinea, PRC = People's Republic of China, REG = regional, SAM = Samoa, SRI = Sri Lanka, TAJ = Tajikistan, THA = Thailand, TON = Tonga, UZB = Uzbekistan, VAN = Vanuatu, VIE = Viet Nam

Source: Independent Evaluation Department.



**Table A2.3: Extended Annual Review Report Validations Completed in 2024**

Project No.	DMC	Company or Project	XARR Circulation Date
50156-001	INO	PT. Supreme Energy Muara Laboh (Muara Laboh Geothermal Power)	03 Oct 2022
44426-018	IND	Power Grid Corporation of India Limited (Green Energy Corridor and Grid Strengthening)	14 Dec 2022
44945-034	IND	VenturEast Life Fund III	21 Dec 2023
48271-001	PHI	GMR Megawide Cebu Airport Corporation (Mactan Cebu International Passenger Terminal Project)	17 Jul 2023
49039-001	BHU	Mountain Hazelnuts Group Limited (Hazelnut Value Chain Development)	02 Aug 2023
48368-001	MYA	Myingyan Natural Gas Power	19 Oct 2023
49339-001	SAM	Jarcon Pty Limited and Sun Pacific Energy Limited (Solar Power Development)	26 Oct 2023
51120-001	IND	Capital First Limited (Debt Financing) (Expanding Micro, Small and Medium Enterprise Lending)	19 Jul 2023
51139-001	REG	Olam International Limited (Agricultural Value Chain Development)	17 Jun 2024
50371-001	VIE	China Everbright International Limited (Municipal Waste-to-Energy)	11 Sep 2023
51186-001	PRC	Arctic Green Energy Corporation Private Limited and Sinopec Green Energy Geothermal Development Company Limited (Geothermal District Heating)	22 Mar 2024
52150-001	PRC	Zhujiang Financial Leasing Company Limited (Small and Medium-Sized Enterprises Finance in Underdeveloped Regions)	26 Dec 2023
3687/3688	PRC	MicroCred Nanchong Company Limited / MicroCred Sichuan Company Limited (Financing Micro, Small, and Medium-Sized Enterprises in the Western Region)	25 Oct 2023
51321-001	VIE	Joint Stock Commercial Bank for Investment and Development of Vietnam (Mainstreaming Small and Medium-Sized Enterprises Lending)	07 Dec 2023
51327-001	VIE	Da Nhim - Ham Thuan - Da Mi Hydro Power Joint Stock Company (Floating Solar Energy)	02 Jan 2024
53037-001	REG	AC Energy Finance International Limited (Debt Financing) (AC Energy Green Bond)	29 Nov 2023
52127-001	MON	Tenuun Gerel Construction LLC (Sermsang Khushig Khundii Solar)	27 Jul 2023
52371-001	IND	GR Infraprojects Limited (Debt Financing) (Highway Equipment Finance)	18 Apr 2024
53115-001	REG	Kacific-1 Limited and Kacific Broadband Satellites International Limited (Asia Pacific Remote Broadband Internet Satellite)	24 Jul 2023
53106-001	VIE	TTC Energy Development Investment Joint Stock Company (Gulf Solar Power)	25 Jul 2023
54035-001	IND	Electro Solaire Private Limited (Gujarat Solar Power)	28 Jun 2024
54237-001	IND	Suguna Foods Private Limited (Debt Financing) (Sustaining Poultry Farmer Income and Food Security)	19 Dec 2023
54236-001	BAN	Pran Dairy Limited (Emergency Working Capital Support to Dairy Value Chain)	03 Apr 2024
54185-001	IND	Global Health Private Limited (Debt Financing) (COVID-19 Hospital Service Delivery)	01 Jul 2023
54268-001	THA	Energy Absolute Public Company Limited (Debt Financing) (Green Loan for Renewable Energy and Electric Vehicle Charging Network)	22 Dec 2023
53340-001	UZB	Nur Navoi Solar Foreign Enterprise Limited Liability Company (Navoi Solar Power)	28 Jun 2024
55106-001	REG	ECOM Agroindustrial Corp. Limited (ECOM COVID-19 Smallholder Farmer Climate Resilience and Livelihood Support)	28 Jun 2024
51399-001	PRC	Shanghai SUS Environment Company Limited (Eco-Industrial Park Waste-to-Energy)	20 Jul 2023

BAN = Bangladesh, BHU = Bhutan, DMC = developing member country, IND = India, INO = Indonesia, MON = Mongolia, MYA = Myanmar, PHI = Philippines, PRC = People's Republic of China, REG = regional, SAM = Samoa, THA = Thailand, UZB = Uzbekistan, VIE = Viet Nam, XARR = extended annual review report.

Source: Independent Evaluation Department.

**Table A2.4: Technical Assistance Completion Report Validations Completed in 2024**

TA No.	DMC	Technical Assistance Project	TCR Circulation Date
9643	TAJ	Strengthening the Investment Climate in the Republic of Tajikistan	4 Jul 2023
6624	REG	Regional Solutions for COVID-19 Response and Vaccine Delivery in Selected Developing Member Countries	5 Jul 2023
9551	MON	Support for the Establishment of a Supplementary Pension System	13 Jul 2023
9493	TAJ	Improving Urban Policy for Small and Medium Enterprises' Growth and Economic Diversification	13 Jul 2023
9759	PRC	Study on the Municipal Climate Finance Roadmap	17 Jul 2023
9724	FIJ	Nadi Flood Alleviation Project	20 Jul 2023
9748	REG	Establishing a Platform for Climate-Resilient and Low-Carbon Urban Development	21 Jul 2023
9701	MON	Improving Health Care Financing for Universal Health Coverage	24 Jul 2023
9818	PRC	Agriculture Green Production and Waste Management	24 Jul 2023
9440	MON	Implementing Innovative Approaches for Improved Water Governance	28 Jul 2023
8031	REG	Strengthening Capacity of Developing Member Countries in Resource Mobilization and Implementation of Cofinanced Projects	28 Jul 2023
9513	REG	Advancing Inclusive and Resilient Urban Development Targeted at the Urban Poor	7 Aug 2023
9565	UZB	Uzbekneftegaz Corporate Transformation	9 Aug 2023
9557	REG	Demonstrating Innovative Employment Solutions through Regional Knowledge-Sharing Partnerships with Youth Organizations	9 Aug 2023
9591	MON	Green Urban Planning	15 Aug 2023
9563	PRC	Reform and Diversification of the Local Government Bond Market	15 Aug 2023
9441	REG	Asia Infrastructure Insights	18 Aug 2023
9808	MON	Improving the Management of Hazardous Chemicals	22 Aug 2023
9666	MON	Human Settlements Development Program	23 Aug 2023
9731	MON	Strengthening the Supreme Audit Function	24 Aug 2023
9856	REG	Strengthening Urban Investment Planning and Capacity for Project Preparation and Implementation in Central and West Asia	25 Aug 2023
9750	MON	Moving Gender Equality Forward through Civil Society Engagement	29 Aug 2023
9338	MON	Establishing Sovereign Wealth Fund Management Institution	4 Sep 2023
9467	PAK	Strengthening the Federal Public-Private Partnership Framework and Enabling Reforms for Infrastructure Financing Support	13 Sep 2023
9809	MON	Promoting a Coordinated Framework for Financial Consumer Protection	14 Sep 2023
9453	REG	Islamic Finance for Inclusive Growth	15 Sep 2023
9487	REG	Almaty-Bishkek Economic Corridor Support	21 Sep 2023
9258	REG	Support for Trade Facilitation in Asia and the Pacific	22 Sep 2023
9574	PRC	Improving the Design of the National Carbon Emissions Trading System	25 Sep 2023
9446	IND	Supporting the Preparation of a Comprehensive Master Plan for the Chennai-Kanyakumari Industrial Corridor	2 Oct 2023
9202	REG	Promoting Evidence-Based Policy Making for Gender Equity in the Pacific (Phase 2)	2 Oct 2023
8338	PHI	Air Quality Management for the Visayas Base-Load Power Development Project	3 Oct 2023
9672	PAK	Developing an Electricity Market	9 Oct 2023
0011	REG	Country Diagnostic Studies in Selected Developing Member Countries	12 Oct 2023
9461	REG	Protecting and Investing in Natural Capital in Asia and the Pacific	12 Oct 2023
9938	MON	Methane Gas Supply Chain Development Master Plan	13 Oct 2023
9122	TIM	Fiscal Policy for Improved Service Delivery	17 Oct 2023
9460	SRI	Power System Reliability Strengthening Project	17 Oct 2023
6784	GEO	Support for General Education Reforms (Secondary Education)	18 Oct 2023
6530	MON	Addressing and Preventing Domestic Violence in Mongolia during the COVID-19 Crisis	24 Oct 2023
9747	PRC	Developing Students' Core Competencies and Reducing Rural-Urban Disparities in Primary Education through the Use of Information and Communication Technology	24 Oct 2023
0025	PRC	Promoting and Scaling Up Carbon Capture and Storage Demonstration	26 Oct 2023
9714	IND	IT and Capacity Building Support for Project Development and Management at the Department of Economic Affairs	3 Nov 2023
9541	REG	Supporting Environmental Safeguards in the Central and West Asia Region	6 Nov 2023
9350	REG	Implementing the Regional Cooperation and Integration Operational Plan	9 Nov 2023
6566	PRC	Developing an Eco-compensation Framework for Green Development in the Dabie Mountain	16 Nov 2023
9671	PRC	Research on Qinghai's Integration into Belt and Road Tourism	20 Nov 2023
9490	PRC	Judicial Reform: Using Big Data to Improve Delivery of Justice	28 Nov 2023
9276	BAN	Support to Primary Education Development	29 Nov 2023
9012	VIE	Power Sector Reform Program	6 Dec 2023

TA No.	DMC	Technical Assistance Project	TCR Circulation Date
9387	REG	Strengthening Institutions for Localizing Agenda 2030 for Sustainable Development	6 Dec 2023
9240	IND	Assam Power Transmission Improvement Project	6 Dec 2023
9575	BAN	Institutionalizing Gender Equality Practices in the Local Government Engineering Department	11 Dec 2023
9471	IND	Capacity Building of the Aid Accounts and Audit Division of the Ministry of Finance	15 Dec 2023
9539	IND	Preparing for the Ara Canal Water Productivity Improvement Project	15 Dec 2023
9452	BAN	Improving Secondary Education Sector Management	19 Dec 2023
9577	PRC	Advanced Renewable Energy Technology Demonstration	11 Jan 2024
9827	IND	Supporting Strategic Interventions in the Health Sector Towards Achieving Universal Health Coverage	11 Jan 2024
9500	REG	Modernizing Sanitary and Phytosanitary Measures to Facilitate Trade	15 Jan 2024
8935	MON	Bogdkhan Railway Bypass Investment Program	15 Jan 2024
9868	REG	Development of the Pacific Energy Regulators Alliance	16 Jan 2024
9454	SRI	Supporting Delivery of Strategic Knowledge Solutions	17 Jan 2024
9382	SRI	Railway Master Plan	18 Jan 2024
9336	PHI	Strengthening Infrastructure Capacity and Innovation for Inclusive Growth	22 Jan 2024
9296	IND	Tamil Nadu Infrastructure Fund Management Company Limited	26 Jan 2024
9662	MON	Strengthening the Anticorruption Regime	26 Jan 2024
9893	MON	Building Capacity for an Effective Social Welfare System	26 Jan 2024
9899	MON	Forest Sector Development Program	26 Jan 2024
6893	INO	Support for Indonesia's G20 Presidency	29 Jan 2024
9636	SRI	Integrated Water Productivity Improvement Project	30 Jan 2024
9468	REG	Supporting Policy Research and Knowledge Exchange	30 Jan 2024
9420	REG	Implementation of Sustainable Transport for All	31 Jan 2024
9752	MON	Improving Extractive Sector Governance	31 Jan 2024
0016	REG	Promoting Urban Climate Change Resilience in Selected Asian Cities	2 Feb 2024
8925	REG	Capacity Development for Expansion of the Trade Finance Program into the Pacific and Enhanced Safeguards and Integrity Measures for Trade Finance Program Banks	12 Feb 2024
0012	REG	Developing Impact Evaluation Methodologies, Approaches, and Capacities in Selected Developing Member Countries	13 Feb 2024
9656	UZB	Sustainable Energy Access – Distribution Network Modernization Program	15 Feb 2024
6614	PRC	Strengthening Health Care Industry Development in Beijing–Tianjin–Hebei	19 Mar 2024
9585	PRC	Policy and Capacity Building for Elderly Care	25 Mar 2024
9644	PNG	Preparing the Civil Aviation Investment Program	25 Mar 2024
6564	KAZ	Supporting Renewable Technology-Inclusive Heat Supply Legislation	2 Apr 2024
9364	REG	Strengthening Financial Sector Operations in Asia and the Pacific	4 Apr 2024
6557	REG	Enhancing Gender Equality and Social Inclusion Results in South Asia Developing Member Countries	26 Apr 2024
8811	REG	Promoting Capacity Building in Financial Institutions in Emerging Countries in South Asia	3 May 2024
9793	ARM	Transport and Trade Facilitation Strategy, 2020–2040	6 May 2024
6584	MON	Managing the Risks of Food Insecurity in Mongolia during the COVID-19 Crisis	20 May 2024
9646	REG	Data for Development (Phase 2)	21 May 2024
9680	REG	Strengthening the Asia Pacific Public Electronic Procurement Network	26 Jul 2023
6594	REG	Mitigating the Impact of COVID-19 through Community-Led Interventions	3 Jun 2024
9725	REG	Strengthening Human Resources and Leadership for Education	13 Jun 2024
9661	REG	Strengthening Financial Management in Asia and the Pacific, Phase 2	20 Jun 2024
6600	REG	Promoting Cross-Border Financial Transactions in the ASEAN+3 Region: Support to the Cross-Border Settlement Infrastructure Forum under the Asian Bond Markets Initiative Medium-Term Road Map, 2019–2022	4 Jun 2024
6544	REG	Disbursement Capacity Building for Developing Member Countries	20 Jun 2024
6585	REG	Impact Evaluation of Financial Technology Innovations in Selected Developing Member Countries	28 Jun 2024
9394	THA	Bangkok Mass Rapid Transit South Purple Line Project	28 Jun 2024
9884	MON	Smart Energy System for Mongolia	28 Jun 2024

ADB = Asian Development Bank; ARM = Armenia; ASEAN+3 = Association of Southeast Asian Nations plus the People's Republic of China, Japan, and the Republic of Korea; BAN = Bangladesh; COVID-19 = coronavirus disease; FIJ = Fiji; GEO = Georgia; G20 = Group of 20; IND = India; INO = Indonesia; KAZ = Kazakhstan; MON = Mongolia; No. = number, PAK = Pakistan; PHI = Philippines; PNG = Papua New Guinea; PRC = People's Republic of China; REG = regional; SRI = Sri Lanka; TAJ = Tajikistan; TCR = technical assistance completion report; THA = Thailand; TIM = Timor-Leste; UZB = Uzbekistan; VIE = Viet Nam.

Source: Independent Evaluation Department.

## APPENDIX 3: REGIONAL COOPERATION AND INTEGRATION PORTFOLIO OF ADB'S FIVE OTHER SUBREGIONAL PROGRAMS AND NON-SUBREGIONAL PROGRAMS

**Table A3.1: Completed Regional Cooperation and Integration Sovereign Projects with Project Completion Report Validation Reports Approved during 2012–2024**

No.	Loan, Grant, MFF Number	DMC	Project Name	Approval Year	IED Overall Rating
1	3492	AZE	Shah Deniz Gas Field Expansion Project	2007/2014	S
2	3919/3920	BAN	COVID-19 Active Response and Expenditure Support Program	2014	HS
3	3914	BHU	COVID-19 Active Response and Expenditure Support Program	2012	HS
4	2480/2675/2904/0136/0223/0224/7186	CAM	Promoting Economic Diversification Program	2012	S
5	3232	CAM	Urban Water Supply Project	2016	S
6	3479/3933/CDF 0001	COO	Disaster Resilience Program (Phase 1 and 2)	2015	S
7	3667/3812/3952	FIJ	Sustained Private Sector-Led Growth Reform Program (Subprograms 1, 2, and 3)	2013	S
8	2974 <sup>a</sup>	GEO	Regional Power Transmission Enhancement Project	2015	S <sup>a</sup>
9	4112	GEO	Electricity Transmission Sector Reforms Program	2015	S
10	2879/2880	GEO	Sustainable Urban Transport Investment Program (Tranche 2)	2015	S
11	3274/3541/3779	INO	Financial Market Development and Inclusion Program	2015	S
12	2942/3068	INO	Inclusive Growth through Improved Connectivity Program (Subprograms 1 and 2)	2019	S
13	3940/ 3941	KAZ	COVID-19 Active Response and Expenditure Support Program	2015	S
14	3410/0432/0487/0563	KGZ	Second Investment Climate Improvement Program	2008/2012	S
15	3913/0699	KGZ	COVID-19 Active Response and Expenditure Support Program	2015	S
16	0560/0633	KIR	Strengthening Economic Management Reform Program (Subprograms 1 and 2)	2020	LS
17	3804/4018	PAK	Trade and Competitiveness Program (Subprograms 1 and 2)	2020	S
18	3931	PAK	COVID-19 Active Response and Expenditure Support Program	2016	HS
19	3334/3595	PHI	Encouraging Investment through Capital Market Reforms Program	2020	S
20	3333/3691	PHI	Expanding Private Participation in Infrastructure Program	2020	S
21	3115	PRC	Yunnan Chuxiong Urban Environment Improvement Project	2020	S
22	3356	PRC	Beijing–Tianjin–Hebei Air Quality Improvement–Hebei Policy Reforms Program	2020	S
23	3042	PRC	Inner Mongolia Road Development Project	2020	LS
24	2870/3128	REG	Higher Education in the Pacific Investment Program (Tranche 1)	2020	S
25	0458	SAM	Samoa Submarine Cable Project	2018	LS
26	3938/0708	SOL	COVID-19 Rapid Response Program	2018	S
27	0629	SOL	Improved Fiscal Sustainability Reform Program	2017	S
28	3343/3513/0463/0530	TAJ	Investment Climate Reforms Program (Subprograms 1 and 2)	2012	S
29	0706	TAJ	COVID-19 Active Response and Expenditure Support Program	2012	S
30	3939	UZB	COVID-19 Active Response and Expenditure Support Program	2013	S
31	3481	UZB	Kashkadarya Regional Road Project	2015	U
32	3331/3332/3552/0459/0460/0461/0540	VAN	Cyclone Pam Road Reconstruction Project	2016	S
33	2357/8236/3173/ 0103	VIE	Integrated Rural Development Sector Project in the Central Provinces	2014	LS
34	3081/3335	VIE	Financial Sector Deepening Program	2012	S
35	3741 <sup>b</sup>	INO	Emergency Assistance for Recovery and Rehabilitation from Recent Disasters	2018	S
36	0657/4114/0800/4221/0853	KGZ	Promoting Economic Diversification Program (Subprogram 2)	2019	S
37	3743	VIE	Financial Sector Development and Inclusion Program, Subprogram 1	2018	LS
38	3215	PRC	Guangxi Baise Vocational Education Development Project	2014	S
39	3627/3628/0557/0558/0559	SAM	Promoting Economic Diversification Program (Subprogram 2)	2017	S
40	3015/0354/8272 <sup>b</sup>	INO	West Kalimantan Power Grid Strengthening Project	2013	S
41	3929	GEO	COVID-19 Active Response and Expenditure Support Program	2020	S
42	3915/3916	IND	COVID-19 Active Response and Expenditure Support Program	2020	S

No.	Loan, Grant, MFF Number	DMC	Project Name	Approval Year	IED Overall Rating
43	3942/0710	MLD	COVID-19 Active Response and Expenditure Support Program	2020	S
44	3926	NEP	COVID-19 Active Response and Expenditure Support Program	2020	S
45	4010	COO	COVID-19 Active Response and Economic Support Program	2020	S
46	3951	CAM	COVID-19 Active Response and Expenditure Support Program	2020	S
47	3905/3906	INO	COVID-19 Active Response and Expenditure Support Program	2020	HS
48	3945/3949	THA	COVID-19 Active Response and Expenditure Support Program	2020	S

AZE = Azerbaijan, BAN = Bangladesh, BHU = Bhutan, CAM = Cambodia, COO = Cook Islands, COVID-19 = coronavirus disease, DMC = developing member country, FIJ = Fiji, GEO = Georgia, HS = highly successful, IED = Independent Evaluation Department, IND = India, INO = Indonesia, KAZ = Kazakhstan, KGZ = Kyrgyz Republic, KIR = Kiribati, LS = less than successful, MLD = Maldives, MFF = multitranch financing facility, NEP = Nepal, PAK = Pakistan, PCR = project completion report, PHI = Philippines, PPER = project performance evaluation report, PRC = People's Republic of China, RCI = regional cooperation and integration, REG = Regional, S = successful, SAM = Samoa, SOL = Solomon Islands, TAJ = Tajikistan, THA = Thailand, U = unsuccessful, UZB = Uzbekistan, VAN = Vanuatu, VIE = Viet Nam.

<sup>a</sup> The source of the IED overall rating is the PPER.

<sup>b</sup> Loan 3741 and Loan 3015/0354/8272 are classified under "Five Other Subregional Programs," while the remaining projects are classified as "Non-Subregional Program" projects. "Five Other Subregional Programs" refers to operations under Brunei Darussalam–Indonesia–Malaysia–Philippines East ASEAN Growth Area (BIMP-EAGA), Indonesia–Malaysia–Thailand Growth Triangle (IMT-GT), Bay of Bengal Initiative for Multisectoral Technical and Economic Cooperation (BIMSTEC), South Asian Association for Regional Cooperation (SAARC), and Pacific Islands Forum (PIF). "Non-Subregional Program" refers to TA projects, including knowledge-based platforms or forums, that have regional dimensions and are not part of a subregional program.

Source: Independent Evaluation Department.

**Table A3.2: Completed Regional Cooperation and Integration Nonsovereign Projects with Extended Annual Review Report Validation Reports Approved during 2012–2024**

No.	Loan, Number	DMC	Project	Approval Year	IED Overall Rating
1	2896	PRC	Tianjin Cold Chain Logistics Facility Development Project	2012	LS
2	3130	GEO	Adjaristsqali Hydropower Project	2014	U
3	3136	MON	Senior Loan to Khan Bank for Supporting Micro, Small and Medium-Sized Enterprises	2014	LS
4	3174	IND	Ocean Sparkle Expansion Project	2014	LS
5	7482	REG	Strengthening the Microfinance Ecosystem Project	2016	LS
6	3246	PHI	150-Megawatt Burgos Wind Farm Project	2015	S
7	3270	AZE	Shah Deniz Stage II Gas Field Expansion Project	2015	S
8	3354 / 7468	IND	Equity Investment and Loan for RBL Bank for Supporting Financial Inclusion Project	2015	S
9	3372	IND	Low-Cost Affordable Housing Finance	2015	S
10	7488	IND	Expanding Micro and SME Lending in Semi-Urban and Rural Areas Project	2016	S
11	3510 / 3511	REG	High-Value Horticulture Development Project	2016	S
12	3607	VIE	Municipal Waste-to-Energy Project	2017	LS
13	7513	REG	ASEAN Distributed Power Project	2017	HS
14	3586 / 3587	REG	Agricultural Value Chain Development Project	2017	S
15	3642	ARM	High-Efficiency Horticulture and Integrated Supply Chain Project	2018	U
16	3772	MON	Sermang Khushig Khundii Solar Project	2019	S
17	3771	REG	AC Energy Green Bond Project	2019	S
18	3800	REG	Asia-Pacific Remote Broadband Internet Satellite Project	2019	LS
19	3892	PRC	COVID-19 Emergency Response	2020	S
20	4169	REG	ECOM COVID-19 Smallholder Farmer Climate Resilience and Livelihood Support Project	2021	LS

ARM = Armenia, ASEAN = Association of Southeast Asian Nations, AZE = Azerbaijan, COVID-19 = coronavirus disease, DMC = developing member country, GEO = Georgia, HS = highly successful, IED = Independent Evaluation Department, IND = India, LS = less than successful, MON = Mongolia, PHI = Philippines, PRC = People's Republic of China, RCI = regional cooperation and integration, REG = Regional, S = successful, U = unsuccessful, VIE = Viet Nam, XARR = extended annual review report.

Source: Independent Evaluation Department.



**Table A3.3: Regional Cooperation and Integration Technical Assistance with Technical Assistance Completion Report Validation Reports Approved during 2012–2024**

No.	TA No.	DMC	TA Project	Approval Year	IED Overall Rating
1	9045	ARM	Export- and Innovation-Led Industrial Development	2015	LS
2	9698	ARM	Analysis of Economic Opportunities Associated with Armenia's New Trade Regime	2018	S
3	8179	CAM	Mainstreaming Climate Resilience into Development Planning	2012	S
4	9054	INO	Enhancing the Regulatory Framework of Financial Sector Development and Oversight	2015	S
5	6706	KAZ	Business Plan Preparation for the Agricultural Commodity Exchange	2020	S
6	9773	KAZ	Mobilizing Finance to Help Achieving Sustainable Development Goals	2019	S
7	6573	KGZ	Support to Public Debt Management in the Kyrgyz Republic	2020	S
8	8978	KGZ	Accession to the Eurasian Economic Union—Capturing the Opportunities and Addressing the Risks	2015	S
9	9316	LAO	Economic Policy Support for Enhancing Productivity and Employment	2017	S
10	9001	MON	Strategy for Northeast Asia Power System Interconnection	2015	S
11	9463	PAK	Revitalizing the Ecosystem of Ravi River Basin	2017	S
12	9526	PRC	Accelerating the Reform of Application-Oriented Undergraduate Programs at Local Universities in Yunnan Province	2018	S
13	9039	PRC	Promotion of Environmentally Sustainable Infrastructure Investment in Asia and the Pacific	2015	S
14	8641	PRC	Support for the Thirteenth Five-Year Plan	2014	S
15	8916	PRC	Reforms in the Public Sector Compensation System	2015	LS
16	8997	PRC	Promoting Partnerships for South–South Cooperation II	2015	LS
17	9379	PRC	Comprehensive Hub-Oriented Transportation Strategy for Urumqi Metropolitan Area	2017	S
18	9353	PRC	Mainstreaming Urban Climate Change Adaptation in the People's Republic of China	2017	S
19	9907	REG	Stocktaking Study for Benchmarking Sustainable Management of Exclusive Economic Zones in the Pacific	2019	LS
20	9218	REG	Investment Assessment and Application of High-Level Technology for Food Security in Asia and the Pacific	2016	S
21	8659	REG	Targeted Pacific Financial Sector Strengthening: Supporting National Risk Assessments	2014	LS
22	9953	REG	Creating Ecosystems for Green Local Currency Bonds for Infrastructure Development in ASEAN+3	2020	S
23	9077	REG	Enhancing Regional Capacity for Economic Surveillance and Financial Vulnerability Assessment	2016	S
24	9197	REG	Creating a Regional Settlement Intermediary in ASEAN+3: Cross-Border Settlement Infrastructure Forum	2016	HS
25	9294	REG	Promoting Green Local Currency-Denominated Bonds for Infrastructure Development in ASEAN+3	2017	S
26	9303	REG	Support for ASEAN+3 Bond Market Forum under the New Asian Bond Markets Initiative Medium-Term Road Map	2017	S
27	9501	REG	Capacity Building Support for Asia-Pacific Economic Cooperation Financial Regulators Training Initiative	2018	S
28	8983	REG	Universal Health Coverage for Inclusive Growth: Supporting the Implementation of the Operational Plan for Health, 2015–2020	2015	S
29	9111	REG	Strengthening Developing Member Countries' Capacity in Elderly Care	2016	S
30	8813	REG	Information and Communication Technology for Development Initiative Facility in Asia and the Pacific	2014	S
31	9937	REG	Supporting Internationalization of Small and Medium-Sized Enterprises: Linking India and the Greater Mekong Subregion	2019	S
32	8905	REG	Enhancing Association of Southeast Asian Nations Capital Market Integration	2015	S
33	9767	REG	Cross-Border Trade and Cooperation between Indonesia and Timor-Leste	2019	S
34	9271	REG	Facilitating Small and Medium-Sized Enterprises Foreign Direct Investment Flows: An ASEAN+6 Case Study	2016	S
35	9312 <sup>a</sup>	REG	Advancing Time Release Studies in Southeast Asia	2017	S
36	8797	REG	Promoting Gender Equality and Women's Empowerment (Phase 2)	2014	S
37	8591	REG	Macroeconomic Modeling for Improved Economic Assessment	2013	S

No.	TA No.	DMC	TA Project	Approval Year	IED Overall Rating
38	8606	REG	Enhancing Readiness of ADB Developing Member Countries for Scaled Up Climate Finance	2013	S
39	8819	REG	Sector and Thematic Analyses in Policy Development	2014	LS
40	8977	REG	Knowledge Development Support for Southeast Asia	2015	S
41	9086	REG	Building Project Implementation Capacities in the Pacific	2016	LS
42	9130	REG	Agenda 2030: Supporting the Sustainable Development Goals through Strategic Partnerships and Preparedness	2016	S
43	9174 <sup>a</sup>	REG	Strengthening the Pacific Islands Forum Secretariat Regional Economic Policy Mandate in the Pacific	2016	S
44	9235	REG	Strengthening Tax Policy and Administration Capacity to Mobilize Domestic Resources	2016	LS
45	9356	REG	Data for Development	2017	S
46	9363	REG	Pacific Fellows Program	2017	LS
47	9536	REG	Deepening Understanding of Macroeconomic Fluctuations in Developing Member Countries for Improved Economic Assessment	2018	S
48	8674	REG	Trade and Transport Facilitation in the Pacific	2014	S
49	9070	TIM	Capacity for Regional Economic Integration	2016	S
50	9704	TIM	Support for Achieving the Strategic Development Plan 2011–2030 and the Sustainable Development Goals	2018	LS
51	9082 <sup>a</sup>	INO	Eastern Indonesia Sustainable Energy Access Sector Project	2016	LS
52	8378 <sup>b</sup>	REG	Pacific Private Sector Development Initiative, Phase III	2013	S <sup>b</sup>
53	7566 <sup>b</sup>	REG	Strengthening and Use of Country Safeguard Systems (Supplementary)	2013	LS <sup>b</sup>
54	8984 <sup>b</sup>	PHI	Support for the Nationwide Rollout of JobStart Philippines	2015	NR <sup>b</sup>
55	8811 <sup>c</sup>	REG	Promoting Capacity Building in Financial Institutions in Emerging Countries in South Asia	2014	LS
56	8925 <sup>c</sup>	REG	Capacity Development for Expansion of the Trade Finance Program into the Pacific and Enhanced Safeguards and Integrity Measures for Trade Finance Program Banks	2015	S
57	9296 <sup>c</sup>	IND	Tamil Nadu Infrastructure Fund Management Company Limited	2017	US
58	9620 <sup>c</sup>	REG	Preparation of the ADB Ventures Facility	2018	HS

ARM = Armenia; ASEAN+3 = Association of Southeast Asian Nations plus the People's Republic of China, Japan, and the Republic of Korea; CAM = Cambodia; DMC = developing member country; HS = highly successful; IED = Independent Evaluation Department; IND = India; INO = Indonesia; KAZ = Kazakhstan; KGZ = Kyrgyz Republic; LAO = Lao People's Democratic Republic; LS = less than successful; MON = Mongolia; NR = not rated; PAK = Pakistan; PHI = Philippines; PRC = People's Republic of China; RCI = regional cooperation and integration; REG = Regional; S = successful TA = technical assistance; TACR = technical assistance completion report; TIM = Timor-Leste.

<sup>a</sup> Three TA projects (TA 9082, TA 9174, and TA 9312) were classified under "Five Other Subregional Programs," while the rest were classified as "Non-Subregional Program" TA projects. "Five Other Subregional Programs" refers to operations under Brunei Darussalam–Indonesia–Malaysia–Philippines East ASEAN Growth Area (BIMP-EAGA), Indonesia–Malaysia–Thailand Growth Triangle (IMT-GT), Bay of Bengal Initiative for Multisectoral Technical and Economic Cooperation (BIMSTEC), South Asian Association for Regional Cooperation (SAARC), and Pacific Islands Forum (PIF). "Non-Subregional Program" refers to TA projects, including knowledge-based platforms or forums, that have regional dimensions and are not part of a subregional program.

<sup>b</sup> The source of the IED overall rating is the technical assistance performance evaluation report.

<sup>c</sup> Four projects (TA 8811, TA 8925, TA 9296, and TA 9620) were nonsovereign TA projects; the rest were sovereign TA projects.

Source: Independent Evaluation Department.



**Table A3.4: Performance of Regional Cooperation and Integration Operations by Evaluation Criterion**

Evaluation Criteria	Three Largest Subregional Programs			Other RCI Programs		
	Total (no.)	HS or S (no.)	HS or S (%)	Total (no.)	HS or S (no.)	HS or S (%)
<b>Sovereign Operations</b>						
Relevance	39	33	85	48	44	92
Effectiveness	39	30	77	48	42	88
Efficiency	39	27	69	48	42	88
Sustainability	39	23	59	32	25	78
<b>Overall assessment</b>	<b>39</b>	<b>28</b>	<b>72</b>	<b>48</b>	<b>42</b>	<b>88</b>
<b>TA Operations</b>						
Relevance	29	26	90	58	51	88
Effectiveness	29	18	62	58	37	64
Efficiency	29	19	66	57	36	63
Sustainability	29	24	83	58	43	74
<b>Overall assessment</b>	<b>29</b>	<b>23</b>	<b>79</b>	<b>57</b>	<b>43</b>	<b>75</b>

HS = highly successful, no. = number, RCI = regional cooperation and integration, S = successful.

Notes:

- "Total (no.)" refers to the number of project or program performance evaluation reports, project or program completion report validation reports, and technical assistance completion report validation reports.
- "Three Largest Subregional Programs" refers to "Central Asia Regional Economic Cooperation (CAREC), Greater Mekong Subregion (GMS), and South Asia Subregional Economic Cooperation (SASEC).
- "Other RCI Programs" refers to stand-alone operations classified as RCI and to operations under Brunei Darussalam–Indonesia–Malaysia–Philippines East ASEAN Growth Area (BIMP-EAGA), Indonesia–Malaysia–Thailand Growth Triangle (IMT-GT), Bay of Bengal Initiative for Multisectoral Technical and Economic Cooperation (BIMSTEC), South Asian Association for Regional Cooperation (SAARC), and Pacific Islands Forum (PIF). Only two project or program completion report validation reports and three technical assistance completion report validation reports came from these five subregional programs.
- The table includes only RCI operations approved in 2012–2024.
- Sustainability was not rated for the 15 CPRO operations under the "Other RCI programs." For TA operations, sustainability was not a core criterion in the overall performance assessment and was therefore not factored into the computation of the overall assessment rating.

Source: Independent Evaluation Department.

**Table A3.5: Regional Cooperation and Integration Portfolio of Other Subregional Programs and Non-subregional Operations by Type of Operation, 2012–2024**

Type of Operation	Five Other Subregional Programs		Non-Subregional Program		Total No. of Operations	Total Amount (\$ million)
	No.	Amount (\$ million)	No.	Amount (\$ million)		
<b>Investment Projects</b>	<b>12</b>	<b>3,859.54</b>	<b>231</b>	<b>38,730.86</b>	<b>243</b>	<b>42,590.40</b>
Sovereign	12	3,859.54	178	33,408.42	190	37,267.96
Nonsovereign	0	0.00	53	5,322.44	53	5,322.44
<b>Technical Assistance</b>	<b>38</b>	<b>43.74</b>	<b>978</b>	<b>1,315.09</b>	<b>1,016</b>	<b>1,358.83</b>
Sovereign	38	43.74	917	1,224.41	955	1,268.15
Nonsovereign	0	0.00	61	90.68	61	90.68
<b>Total</b>	<b>50</b>	<b>3,903.28</b>	<b>1,209</b>	<b>40,045.95</b>	<b>1,259</b>	<b>43,949.23</b>

ADB = Asian Development Bank, No. = number, RCI = regional cooperation and integration.

Notes:

- The number and approved amounts excluded cofinancing. The TA count was based on the approval year. Supplementary or additional financing was counted separately if approved in a different year.
- The 2024 approvals include data only up to June 2024.
- "Five Other Subregional Programs" refers to operations under Brunei Darussalam–Indonesia–Malaysia–Philippines East ASEAN Growth Area (BIMP-EAGA), Indonesia–Malaysia–Thailand Growth Triangle (IMT-GT), Bay of Bengal Initiative for Multisectoral Technical and Economic Cooperation (BIMSTEC), South Asian Association for Regional Cooperation (SAARC), and Pacific Islands Forum (PIF).
- The "Nonsubregional Program" refers to individual investment and TA projects, including knowledge-based platforms or forums, that have regional dimensions and are not part of a subregional program.
- 10 sovereign operations and 10 TA projects in the "Five Other Subregional Programs" were not tagged as RCI.

Source: Independent Evaluation Department estimates based on Strategy, Policy, and Partnerships Department's database.

**Table A3.6: Regional Cooperation and Integration Investment Projects Outside the Three Largest Programs by Approval Year, 2012–2024**

Approval Year	Five Other Subregional Programs		Non-Subregional Program		Total No. of Operations	Total Amount (\$ million)
	No.	Amount (\$ million)	No.	Amount (\$ million)		
2012	0	0.00	8	539.10	8	539.10
2013	1	49.50	5	875.520	6	925.02
2014	0	0.00	12	756.78	12	756.78
2015	0	0.00	17	2,507.46	17	2,507.46
2016	0	0.00	17	2,478.04	17	2,478.04
2017	1	380.00	14	1,801.00	15	2,181.00
2018	3	903.00	20	1,428.90	23	2,331.90
2019	1	297.75	22	2,809.86	23	3,107.61
2020	1	600.00	38	11,537.75	39	12,137.75
2021	0	0.00	35	6,838.35	35	6,838.35
2022	3	195.00	21	3,940.95	24	4,135.95
2023	1	1,014.69	13	2,242.50	14	3,257.19
2024	1	419.60	9	974.65	10	1,394.25
<b>Total</b>	<b>12</b>	<b>3,859.54</b>	<b>231</b>	<b>38,730.86</b>	<b>243</b>	<b>42,590.40</b>

ADB = Asian Development Bank, No. = number, RCI = regional cooperation and integration.

Notes:

- (i) The number and approved amounts exclude cofinancing.
- (ii) The 2024 approvals include data only up to June 2024.
- (iii) “Five Other Subregional Programs” refers to operations under Brunei Darussalam–Indonesia–Malaysia–Philippines East ASEAN Growth Area (BIMP-EAGA), Indonesia–Malaysia–Thailand Growth Triangle (IMT-GT), Bay of Bengal Initiative for Multisectoral Technical and Economic Cooperation (BIMSTEC), South Asian Association for Regional Cooperation (SAARC), and Pacific Islands Forum (PIF).
- (iv) “Non Subregional Program” refers to individual investment and TA projects, including knowledge-based platforms or forums, that have regional dimensions and are not part of a subregional program.

Source: Independent Evaluation Department estimates based on Strategy, Policy, and Partnerships Department’s database.

## APPENDIX 4: MANAGEMENT ACTION RECORD SYSTEM: BASIC DATA

**Table A4.1: Management Acceptance of IED Recommendations, Calendar Years 2019–2024**

Rating	2019		2020		2021		2022		2023		2024		2019–2024 Average	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Fully accepted	37	97	28	93	22	100	19	95	24	92	25	93	26	95
Partly accepted	1	3	2	7	0	0	1	5	1	4	2	7	1	4
Not accepted	0	0	0	0	0	0	0	0	1	4	0	0	0	1
<b>Total</b>	<b>38</b>	<b>100</b>	<b>30</b>	<b>100</b>	<b>22</b>	<b>100</b>	<b>20</b>	<b>100</b>	<b>26</b>	<b>100</b>	<b>27</b>	<b>100</b>	<b>27</b>	<b>100</b>
<b>Fully accepted (%)</b>	<b>97</b>		<b>93</b>		<b>100</b>		<b>95</b>		<b>92</b>		<b>93</b>		<b>95</b>	
<b>Fully accepted and partly accepted (%)</b>	<b>100</b>		<b>100</b>		<b>100</b>		<b>100</b>		<b>96</b>		<b>100</b>		<b>99</b>	

No. = number.

Notes:

(i) Percentages may not total 100% because of rounding.

(ii) Management acceptances are in calendar years (January to December), while action design and implementation of recommendations are in reporting years (e.g., 2024 is from October 2023 to 30 September 2024).

Source: Asian Development Bank (Independent Evaluation Department).

**Table A4.2: Management Acceptance of Independent Evaluation Department Recommendations, Calendar Year 2024**

Evaluation Report	Fully Accepted (No.)	Partly Accepted (No.)	Total (No.)	Acceptance Rate (%)
Corporate Evaluation on Midterm Evaluation of Strategy 2030: Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific	5	0	5	100
Thematic Evaluation of ADB Plan for OP5: Promoting Rural Development and Food Security, 2019–2024	4	0	4	100
Regional Evaluation of ADB Support for the South Asia Regional Economic Cooperation Program, 2011–2023	5	0	5	100
Corporate Evaluation of ADB's Private Sector Operations Strategic Approach and Results, 2017–2023	4	0	4	100
Corporate Evaluation of ADB's Technical Assistance Operations, 2014–2023	2	2	4	50
Thematic Evaluation of ADB's Support for Accelerating Progress in Gender Equality	5	0	5	100
<b>Total</b>	<b>25</b>	<b>2</b>	<b>27</b>	<b>93</b>

ADB = Asian Development Bank, No. = number, OP = Operational Priority.

Source: Independent Evaluation Department.

**Table A4.3: Comparison between Action Plan and Implementation of Accepted Recommendations, Reporting Years 2019–2024**

Rating	Relevance						Specificity					
	Fully Relevant (No.)	Largely Relevant (No.)	Partly Relevant (No.)	Not Relevant or Negligible (No.)	No rating (No.)	Total (No.)	Fully Specific (No.)	Largely Specific (No.)	Partly Specific (No.)	Not Specific or Negligible (No.)	No Rating (No.)	Total (No.)
Fully implemented	34	17	4	3	2	60	26	26	6	0	2	60
Largely implemented	20	43	4	0	6	73	11	48	8	0	6	73
Partly implemented	12	12	8	0	3	35	5	17	9	1	3	35
Not implemented or no rating	2	0	0	0	3	5	2	0	0	0	3	5
<b>Total</b>	<b>68</b>	<b>72</b>	<b>16</b>	<b>3</b>	<b>14</b>	<b>173</b>	<b>44</b>	<b>91</b>	<b>23</b>	<b>1</b>	<b>14</b>	<b>173</b>

No. = number.

Source: Asian Development Bank (Independent Evaluation Department).

**Table A4.4: Comparison between Action Plan Design and Implementation of Accepted Recommendations, Reporting Year 2024**

Validation Rating	Relevance				Specificity			
	Fully Relevant (No.)	Largely Relevant (No.)	Partly Relevant (No.)	Total (No.)	Fully Specific (No.)	Largely Specific (No.)	Partly Specific (No.)	Total (No.)
Fully implemented	5	6	0	11	4	7	0	11
Largely implemented	2	10	0	12	1	11	0	12
Partly implemented	4	3	2	9	2	6	1	9
<b>Total</b>	<b>11</b>	<b>19</b>	<b>2</b>	<b>32</b>	<b>7</b>	<b>24</b>	<b>1</b>	<b>32</b>

No. = number.

Source: Asian Development Bank (Independent Evaluation Department).

**Table A4.5: Implementation of Accepted Independent Evaluation Department Recommendations in Reporting Years 2019–2024**  
(3-year moving average)

Rating	2019		2020		2021		2022		2023		2024		2019–2024 Average	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Fully implemented	6	29	6	32	11	33	14	38	14	38	10	36	10	34
Largely implemented	9	47	8	44	15	45	16	41	15	42	11	39	12	43
Partly implemented	4	22	4	20	6	19	6	17	6	17	6	23	5	20
Not implemented or no rating	0	2	0	4	1	3	2	4	1	3	1	2	1	3
<b>Total</b>	<b>19</b>	<b>100</b>	<b>18</b>	<b>100</b>	<b>33</b>	<b>100</b>	<b>38</b>	<b>100</b>	<b>36</b>	<b>100</b>	<b>28</b>	<b>100</b>	<b>28</b>	<b>100</b>
<b>Fully or largely implemented</b>	<b>15</b>	<b>76</b>	<b>14</b>	<b>76</b>	<b>26</b>	<b>78</b>	<b>30</b>	<b>79</b>	<b>29</b>	<b>80</b>	<b>21</b>	<b>75</b>	<b>22</b>	<b>77</b>

No. = number.

Note: The 3-year rolling average for 2019 is the average of data from 2017, 2018, and 2019; the 3-year rolling average for 2020 is the average of data from 2018, 2019, and 2020, and so on.

Source: Asian Development Bank (Independent Evaluation Department).

**Table A4.6: Implementation of Accepted Independent Evaluation Department Recommendations in Reporting Years 2017–2024**

Rating	2017		2018		2019		2020		2021		2022		2023		2024		2017–2024 Average	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Fully implemented	7	22	6	55	4	24	7	28	22	38	14	47	5	23	11	34	10	34
Largely implemented	16	52	4	36	8	47	12	48	25	44	10	34	11	50	12	38	12	43
Partly implemented	8	26	1	9	4	23	6	24	9	16	4	13	6	27	9	28	6	21
Not implemented or no rating	0	0	0	0	1	6	0	0	1	2	2	6	0	0	0	0	1	2
<b>Total</b>	<b>31</b>	<b>100</b>	<b>11</b>	<b>100</b>	<b>17</b>	<b>100</b>	<b>25</b>	<b>100</b>	<b>57</b>	<b>100</b>	<b>30</b>	<b>100</b>	<b>22</b>	<b>100</b>	<b>32</b>	<b>100</b>	<b>28</b>	<b>100</b>
<b>Fully or largely implemented</b>	<b>23</b>	<b>74</b>	<b>10</b>	<b>91</b>	<b>12</b>	<b>71</b>	<b>19</b>	<b>76</b>	<b>47</b>	<b>82</b>	<b>24</b>	<b>81</b>	<b>16</b>	<b>73</b>	<b>23</b>	<b>72</b>	<b>22</b>	<b>77</b>

No. = number.

Note: Data on action plan implementation of recommendations are in reporting years (i.e., 2024 is from October 2023 to 30 September 2024).

Source: Asian Development Bank (IED).

**Table A4.7: Evaluations with Actions Due in Reporting Year 2024**

No.	Report Title	Approval Date	Number of Actions Due	Implementing and Coordinating Department
1	2021 AER: Supporting the Sustainable Development Goals	1 Mar 2021	3	SPD
2	CAPE Bangladesh 2011–2020	31 Mar 2021	5	SARD
3	One ADB: ADB's Approach to Delivering Strategy 2030	20 Jan 2022	2	SPD and PSOD
4	Knowledge Solutions for Development: An Evaluation of ADB's Readiness for Strategy 2030	10 Jul 2020	2	DOCK and CCSD
5	ADB Support for Public–Private Partnerships, 2009–2019	29 Sep 2020	3	OPPP
6	ADB Support for Action on Climate Change, 2011–2020	13 Sep 2021	2	CCSD
7	ADB Support for the Greater Mekong Subregion Program, 2012–2020	28 Dec 2021	2	SERD
8	Additionality of the Asian Development Bank's Nonsovereign Operations	30 Mar 2022	4	PSOD
9	ADB Support for the Central Asia Regional Economic Cooperation Program, 2011–2021	18 May 2023	2	CWRD
10	ADB's Procurement System, 2014–2021	16 Feb 2023	5	PPFD
11	ADB's Investment and Credit Risk Management of Nonsovereign Operations	29 Nov 2023	2	PSOD
<b>Total</b>			<b>32</b>	

Note: The implementing department directly executes projects, programs, or policies, while the coordinating department oversees and facilitates collaboration between multiple stakeholders or departments. It ensures alignment of efforts, provides guidance, and monitors progress.

ADB = Asian Development Bank; AER = annual evaluation review; CAPE = country assistance program evaluation; CCSD = Climate Change and Sustainable Development Department; CWRD = Central and West Asia Department; DOCK = Department of Communications and Knowledge Management; OPPP = Office of Public–Private Partnership; PPFD = Procurement, Portfolio, and Financial Management Department; PSOD = Private Sector Operation Department; RY = reporting year; SARD = South Asia Department; SERD = Southeast Asia Department; SPD = Strategy, Policy, and Partnerships Department.

Note: Reporting year 2024 is from October 2023 to 30 September 2024.

Source: Independent Evaluation Department.

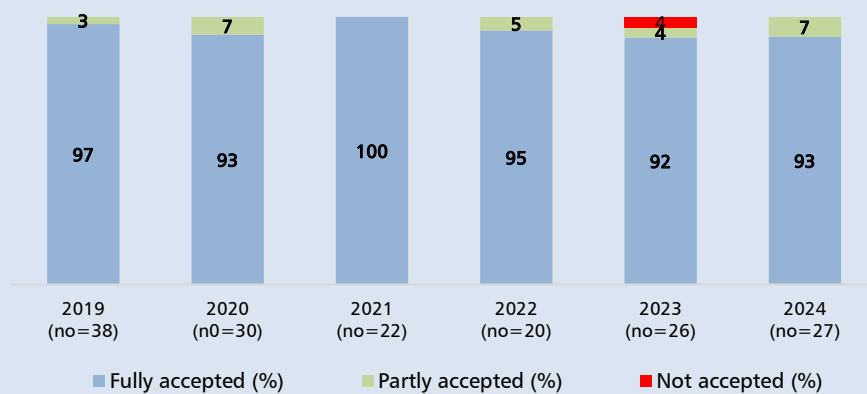
**Table A4.8: Implementation Ratios of Evaluation Recommendations, Reporting Years 2019–2024 (%)**

	2019	2020	2021	2022	2023	2024
Implementation ratio	69	71	82	77	67	67
Fully accepted	97	93	100	95	92	93
Fully implemented or largely implemented	71	76	82	81	73	72

Source: Asian Development Bank (Independent Evaluation Department).

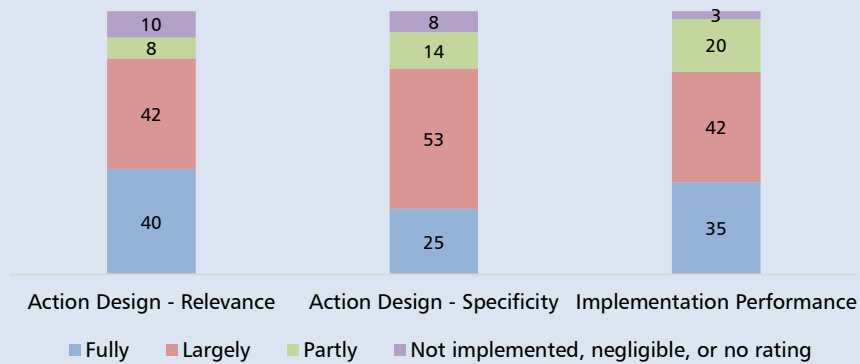
## APPENDIX 5: MANAGEMENT ACTION RECORD SYSTEM: AN OVERVIEW OF TRENDS

**Figure A5.1: Annual Acceptance of Evaluation Recommendations, Calendar Years 2019–2024 (%)**



Note: Management acceptance is in calendar years. no = numbers  
Source: Asian Development Bank (Independent Evaluation Department).

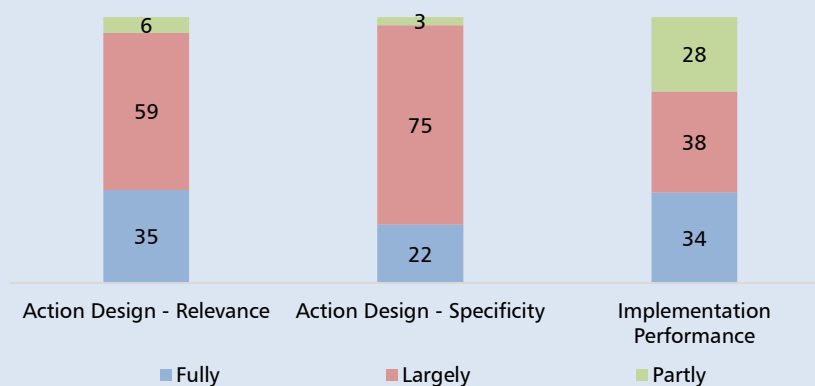
**Figure A5.2: Comparison Between Action Plan Design and Implementation (% of Actions Implemented, n=173) Reporting Years 2019–2024**



Note: Figures may not add to 100% due to rounding.  
Source: Asian Development Bank (Independent Evaluation Department).



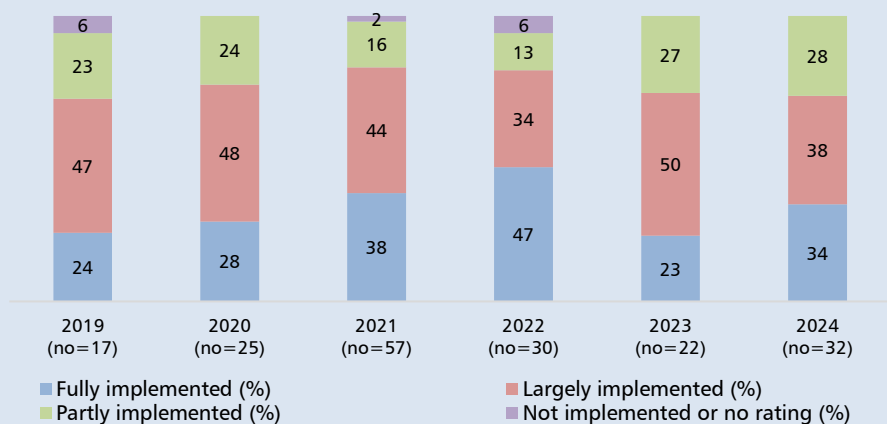
**Figure A5.3: Comparison Between Action Plan Design and Implementation**  
 (% of Actions Implemented, n=32)  
 Reporting Year 2024



Note: Figures may not add to 100% due to rounding.

Source: Asian Development Bank (Independent Evaluation Department).

**Figure A5.4: Implementation of Completed Evaluation Recommendations,**  
 Reporting Years 2017–2024



Note: Figures may not add to 100% due to rounding. Action plan design and implementation are in reporting years. A recommendation in the Corporate Evaluation on Relevance and Results of Concessional Finance: Asian Development Fund XI and 12 has no rating following the suspension of ADB regular assistance to Afghanistan in August 2021. no = number  
 Source: Asian Development Bank (Independent Evaluation Department).

## APPENDIX 6: INDEPENDENT EVALUATION DEPARTMENT RECOMMENDATIONS: COMPLETED EVALUATION REPORTS

### Evaluation Reports with All Actions on Accepted Recommendations Completed, Reporting Years 2019–2024

Reporting Year of Completion	Evaluation Report	Total No. of Recommendations	Total No. of Accepted Recommendations	AR (%)	IED Validation Rating (No. of Recommendations)				
					FI	LI	PI	NI or NR	FI or LI (%)
2019	CAPE Kyrgyz Republic: Evolving Transition to a Market Economy	6	6	100	5	0	1	0	83
2019	CAPE Papua New Guinea	5	2	40	0	0	1	1	0
2019	Thematic Evaluation on Effectiveness of Asian Development Bank Partnerships	4	4	100	2	1	1	0	75
2019	Thematic Evaluation on Real-Time Evaluation of ADB's Safeguard Implementation Experience Based on Selected Case Studies	4	4	100	0	4	0	0	100
	<b>2019 Average Validation Ratings (%)</b>	<b>5</b>	<b>4</b>	<b>80</b>	<b>50</b>	<b>25</b>	<b>25</b>	<b>0</b>	<b>75</b>
2020	2017 AER: Learning from the Lessons of Project Evaluations	3	3	100	1	2	0	0	100
2020	2018 AER: The Quality of Project Design and Preparation for Efficiency and Sustainability	4	3	75	0	2	1	0	67
2020	CAPE Pakistan: 2002–2012 Continuing Development Challenges	6	6	100	0	4	2	0	67
	<b>2020 Average Validation Ratings (%)</b>	<b>4</b>	<b>4</b>	<b>100</b>	<b>0</b>	<b>75</b>	<b>25</b>	<b>0</b>	<b>75</b>
2021	CAPE Azerbaijan, 2011–2017	5	5	100	3	1	1	0	80
2021	CAPE People's Republic of China	6	5	83	2	3	0	0	100
2021	CAPE Tajikistan: Responding to the Changing Development Conditions	5	1	20	1	0	0	0	100
2021	Corporate Evaluation Study on ADB's Multitranchise Financing Facility, 2005–2018: Performance and Results Delivered	4	4	100	0	1	3	0	25
2021	Corporate Evaluation Study on Asian Development Fund X and XI Operations: Opportunity Amid Growing Challenges	4	4	100	2	0	2	0	50
2021	Corporate Evaluation Study on Boosting ADB's Mobilization Capacity: The Role of Credit Enhancement Products	5	5	100	3	0	2	0	60
2021	Corporate Evaluation Study on Policy-Based Lending, 2008–2017: Performance, Results, and Issues of Design	7	6	86	2	3	1	0	83
2021	Corporate Evaluation Study on Results-Based Lending at the Asian Development Bank: An Early Assessment	4	3	75	2	1	0	0	100
2021	Impact of Cost-Shared Water Supply Services on Household Welfare in Small Towns: Ex-Post Impact Evaluation of a Project in Nepal	3	3	100	0	3	0	0	100
2021	Real-Time Evaluation of ADB's Initiatives to Support Access to Climate Finance	3	3	100	0	3	0	0	100
2021	Special Evaluation Study on ADB Social Protection Strategy 2001	7	7	100	1	3	3	0	57
2021	Special Evaluation Study on Water Policy and Related Operations	3	3	100	0	3	0	0	100
2021	Thematic Evaluation on Support for Small and Medium-Sized Enterprises, 2005–2017: Business Environment, Access to Finance, Value Chains, and Women in Business	4	4	100	1	2	1	0	75
2021	Thematic Evaluation of ADB Support for Gender and Development (2005–2015)	4	4	100	4	0	0	0	100

Reporting Year of Completion	Evaluation Report	Total No. of Recommendation s	Total No. of Accepted Recommendations	AR (%)	IED Validation Rating (No. of Recommendations)				
					FI	LI	PI	NI or NR	FI or LI (%)
2021	Thematic Evaluation Study on ADB's Support for Inclusive Growth	5	4	80	2	2	0	0	100
	<b>2021 Average Validation Ratings (%)</b>	<b>5</b>	<b>4</b>	<b>80</b>	<b>25</b>	<b>50</b>	<b>25</b>	<b>0</b>	<b>79</b>
2022	2019 AER: Performance and Scorecards	4	4	100	1	2	0	1	75
2022	2020 AER: ADB's Project Level Self-Evaluation System	4	4	100	0	2	1	0	50
2022	Sector-Wide Evaluation on ADB Support for Agriculture, Natural Resources, and Rural Development	8	8	100	5	1	2	0	75
2022	Thematic Evaluation on State-Owned Enterprise Engagement and Reform	4	4	100	2	2	0	0	100
	<b>2022 Average Validation Ratings (%)</b>	<b>5</b>	<b>5</b>	<b>100</b>	<b>40</b>	<b>40</b>	<b>20</b>	<b>0</b>	<b>75</b>
2023	CAPE Indonesia 2005–2018	5	5	100	4	0	0	1	80
2023	CAPE Sri Lanka	4	4	100	2	1	1	0	75
2023	Corporate Evaluation on the Effectiveness of the 2009 Safeguard Policy Statement	5	5	100	0	2	3	0	40
2023	Sector-wide Evaluation: ADB Energy Policy and Program, 2009–2019	5	5	100	1	3	1	0	80
2023	Sector-wide Evaluation: ADB Support for Transport, 2010–2018	6	6	100	0	4	2	0	67
	<b>2023 Average Validation Ratings (%)</b>	<b>5</b>	<b>5</b>	<b>100</b>	<b>25</b>	<b>50</b>	<b>25</b>	<b>0</b>	<b>68</b>
2024	2021 AER: Supporting the Sustainable Development Goals	5	5	100	5	0	0	0	100
2024	ADB Support for Public–Private Partnerships, 2009–2019	6	6	100	1	3	2	0	67
2024	Additionality of the Asian Development Bank's Nonsovereign Operations	5	5	100	1	3	1	0	80
2024	CAPE Bangladesh 2011–2020	5	5	100	4	1	0	0	100
2024	Evaluation of ADB's Procurement System, 2014–2021	5	5	100	0	2	3	0	40
2024	Knowledge Solutions for Development: An Evaluation of ADB's Readiness for Strategy 2030	4	4	100	0	3	1	0	75
	<b>2024 Average Validation Ratings (%)</b>	<b>5</b>	<b>5</b>	<b>100</b>	<b>40</b>	<b>40</b>	<b>20</b>	<b>0</b>	<b>77</b>

ADB = Asian Development Bank, AER = annual evaluation review, AR = acceptance rate, CAPE = country assistance program evaluation, FI = fully implemented, IED = Independent Evaluation Department, LI = largely implemented, NI = not implemented, No. = number, NR = not rated, PI = partly implemented, RY = reporting year, SAPE = sector assistance program evaluation.

Note: Figures may not add to 100% due to rounding.

Source: ADB (Independent Evaluation Department).

## APPENDIX 7: INSTITUTIONAL CHANGES DRIVEN BY INDEPENDENT EVALUATION DEPARTMENT RECOMMENDATIONS

Area of Influence	Evaluation Report	Recommendation	Influence of Independent Evaluation Department Recommendations
<b>Organizational Structure</b>	ADB Support for Public–Private Partnerships, 2009–2019 (October 2020)	ADB should operationally and organizationally separate the PPP Thematic Group Secretariat from OP3F to strengthen its cross institutional role and function in the promotion of a holistic One ADB.	While the organizational changes recommended were rejected, there has been a notable strengthening in the role, impact and visibility of the PPP Thematic Group, rebranded as the Office of Special Initiatives and Funds.
<b>Organizational Structure</b>	ADB Support for Public–Private Partnerships, 2009–2019 (October 2020)	ADB should assign the management of Asia Pacific Project Preparation Facility (AP3F) funds and other key donor and institutional relationships in support of PPPs to the newly created PPP Thematic Group Secretariat.	AP3F funds are now managed by the newly created Office of Special Initiatives and Funds (formerly PPP Thematic Group).
<b>Organizational Structure</b>	Corporate Evaluation on the Effectiveness of the 2009 Safeguard Policy Statement (May 2020)	Introduce a new safeguard implementation framework, including an updated oversight structure and reporting lines that are strengthened and contribute to more consistent safeguard outcomes across ADB.	Under ADB's new operating model (NOM), the Office of Safeguards was established on 30 June 2023
<b>Organizational Structure</b>	One ADB: ADB's Approach to Delivering Strategy 2030 (February 2022)	Strengthen the corporate coherence of the One ADB approach by developing an explicit plan of selective, purposely sequenced, and achievable institutional reforms over the medium term.	ADB launched the NOM in June 2023. It is designed to streamline processes, integrate private sector staff into country-level operations, and strengthen the country-focused model.
<b>Organizational Structure</b>	One ADB: ADB's Approach to Delivering Strategy 2030 (February 2022)	Support implementation of Strategy 2030 by establishing a dedicated change management team, with responsibility for coordinating and monitoring the rollout of reforms in management systems and processes, staff training, and monitoring.	The NOM is supported by a Transformation Office which was established January 2023.
<b>Frameworks and Policies</b>	2021 Annual Evaluation Review: Supporting the Sustainable Development Goals (April 2021)	Accelerate efforts beyond energy and transport to develop the sector frameworks needed to implement Strategy 2030 operational priorities at the sector level and ensure that these sector frameworks are mainstreamed and guide the selection of sector priorities in CPSs.	Seven sector directional guides have been produced for education, energy, finance, health, transport, urban, and water to support ADB's efforts to achieve the goals of Strategy 2030
<b>Frameworks and Policies</b>	Additionality of the Asian Development Bank's Nonsovereign Operations (March 2022)	ADB's policy and/or guiding documents, such as the Operations Manual section D10 and its associated staff instruction, should be revised to include additionality and development effectiveness as a core strategic focus for ADB nonsovereign operations.	Revisions to the Operations Manual and related staff instructions were made in the third quarter of 2023. These incorporated ex-ante development impact assessments and additionally assessments.
<b>Frameworks and Policies</b>	Additionality of the Asian Development Bank's Nonsovereign Operations (March 2022)	ADB should further integrate additionality into its existing systems to ensure better tracking, monitoring and reporting as part of the envisioned end- to-end system.	The ex-ante screening of additionality as part of the ex-ante development impact framework has been rolled out to all aspects of the credit approval process, including the final review and approval stages.

Area of Influence	Evaluation Report	Recommendation	Influence of Independent Evaluation Department Recommendations
			The new Operations Manual section D10 outlines the ex-ante process and governance process for additionality. The monitoring of ex-ante additionality assessments for the pilot projects (2019–2022) was done as part of the annual monitoring reports for 2022.
<b>Frameworks and Policies</b>	Additionality of the Asian Development Bank's Nonsovereign Operations (March 2022)	ADB should strengthen the governance mechanism for approving projects, including consideration of financial additionality as a necessary minimum precondition for PSOD projects to proceed.	The governance mechanism for additionality was outlined in the revised Operations Manual D10 and in staff instructions.
<b>Frameworks and Policies</b>	Corporate Evaluation on the Effectiveness of the 2009 Safeguard Policy Statement (May 2020)	Modernize the SPS, increasing its relevance and customizing it for both sovereign and private sector financing, by building on evidence from the SPS implementation experience and recent safeguard policy updates at other MFIs.	An Environmental and Social Framework was approved in October 2024.
<b>Frameworks and Policies</b>	Integrated Water Management: Sector-wide Evaluation of ADB's Water Policy and Program, 2011–2021 (November 2022)	ADB should update the Water Policy and the associated guidance document to deal with the changing regional and global socioeconomic, environmental, and institutional context in Asia and the Pacific.	A water sector directional guide was published in November 2022. It is aligned with Strategy 2030 and its seven operational priorities.
<b>Frameworks and Policies</b>	Sector-wide Evaluation: ADB Energy Policy and Program, 2009–2019 (August 2020)	Revisit and update the Energy Policy by emphasizing climate change mitigation and adaptation as a core priority; and aligning the policy with Strategy 2030 and the ongoing sector transformation, complemented with a detailed Implementation Guidance document. New Implementation Guidance should include a procedure to guide the selection of energy priorities within future CPSs, unlike current CPSs, which are often disconnected from the Energy Policy 2009.	A new Energy Policy was adopted in 2021.  An energy sector directional guide was published in July 2023. It is aligned with Strategy 2030 and its seven operational priorities.
<b>Country Programming</b>	2021 Annual Evaluation Review: Supporting the Sustainable Development Goals (April 2021)	Deepen institutional engagement on the achievement of the SDGs at the country and local levels.	The country partnership strategy template was refined to include a section on alignment with and contributions to the Sustainable Development Goals.
<b>Country Programming</b>	ADB Support for Action on Climate Change, 2011–2020 (September 2021)	ADB CPSs and associated programming should be informed by and reflect country-specific climate change diagnostic assessments and should clearly specify the path of engagement and results through both public and private sector operations.	A climate change disaster risk management (CCDRM) rapid template has been prepared. It has been rolled out for Azerbaijan, Cambodia, Georgia, Kazakhstan, Lao People's Democratic Republic, and Viet Nam. Country diagnostic tools and approaches to CCDRM have been designed to inform country engagement work.  An interdepartmental task force was established to help developing member countries to develop frameworks for private sector investment.

Area of Influence	Evaluation Report	Recommendation	Influence of Independent Evaluation Department Recommendations
<b>Country Programming</b>	Additionality of the Asian Development Bank's Nonsovereign Operations (March 2022)	ADB CPSs should scale up good practice in country teams and more consistently adopt a "One ADB" approach by reflecting meaningful input from PSOD. They should be based on country-specific private sector diagnostics that identify which sectors and areas have the greatest potential for NSO to deliver additionality in support of targeted Strategy 2030 operational priorities.	A "One-ADB" approach to the preparation of a country partnership strategy was captured in the revised OM A2 and the relevant staff instructions published in June 2023.  "One-ADB" country management teams were established in all regional departments in 2024.
<b>Knowledge and Partnerships</b>	2021 Annual Evaluation Review: Supporting the Sustainable Development Goals (April 2021)	Ramp up partnerships with other development organizations to assess the implications of the COVID-19 crisis on the achievement of the SDGs, support better mobilization of financing, and improve the collection and management of data on the SDGs.	ADB, in partnership with ESCAP and UNDP, produced three reports. ADB maintains an SDG data portal.  An Asia Pacific Tax Hub was established to enhance domestic resource mobilization and international tax cooperation through knowledge sharing and capacity building.
<b>Knowledge and Partnerships</b>	Knowledge Solutions for Development: An Evaluation of ADB's Readiness for Strategy 2030 (July 2020)	If the Board and senior management favor a path closer to the Knowledge++ Bank model, ADB will need to adopt a comprehensive approach to fully implementing Strategy 2030's knowledge ambitions.	The new operating model emphasizes the role of knowledge in ADB operations.
<b>Knowledge and Partnerships</b>	Sector-wide Evaluation: ADB Energy Policy and Program, 2009–2019 (August 2020)	Increase the attention paid to knowledge creation and dissemination, innovation, cross-sectoral work, and quality at entry, by revisiting incentive structures of staff, and by strengthening internal and external collaboration channels. operations through scientific	Cross-regional and cross-departmental knowledge sharing is ongoing.  A Knowledge Management Action Plan highlights business values and innovations in the use of knowledge and internal and external collaboration.  An energy Sector Group workplan integrates knowledge transfer from operations across regions, sectors, departments.
<b>Knowledge and Partnerships</b>	Evaluation of ADB's Procurement System, 2014–2021 (February 2023)	Commit strategic long-term investments to continue building on current initiatives to develop ADB and DMC procurement capacity.	Transforming ad hoc procurement training practices into a more strategic, long-term country capacity development approach with broader knowledge sharing and collaboration. This approach has been adopted, practiced, and disseminated by PPFD since 2024.
<b>Regional Cooperation and Integration</b>	CAPE India (May 20217)	ADB should intensify operational support for regional cooperation and integration (RCI) in India and South Asia and scale-up operations in line with the vision document developed by the South Asia Subregional Economic Cooperation (SASEC).	The country partnership strategies for India that followed the evaluation incorporated the priorities of the SASEC Operational Plan (2016–2025) by including the integrated development of natural resource-based industries within the subregion, greater links to global markets through trade facilitation, multimodal transport connectivity, electricity network integration, and economic corridor integration.

Area of Influence	Evaluation Report	Recommendation	Influence of Independent Evaluation Department Recommendations
<b>Regional Cooperation and Integration</b>	Evaluation of ADB Support for the GMS Program, 2012–2020 (December 2021)	Prepare a new regional investment framework (RIF) based on clear and consistent selection criteria.	From 2023, 3-year rolling regional investment frameworks and a pipeline of projects have been produced. The GMS program has adopted new “minimum” and “aspirational” criteria designed to make project proposals more realistic and aligned with the aspirations of GMS-2030.
<b>Regional Cooperation and Integration</b>	Evaluation of ADB Support for the GMS Program, 2012–2020 (December 2021)	Broaden the participation of regional and global organizations and the private sector.	The evaluation of ADB’s support for the GMS Program (2012–2020) prompted a more collaborative platform under the GMS Economic Cooperation Program Strategic Framework 2030 (GMS-2030). The platform engages regional and global organizations, private sector stakeholders, and local governments.
<b>Regional Cooperation and Integration</b>	Evaluation of ADB Support for the GMS Program, 2012–2020 (December 2021)	Provide programmatic support for knowledge and institutional capacity building.	The GMS Knowledge Network was established in 2022 to facilitate institutional strengthening and knowledge sharing.
<b>Regional Cooperation and Integration</b>	Integrated Water Management: SWE of ADB’s Water Policy and Program (2011–2020) (November 2022)	ADB should update the Water Policy and the associated guidance document to deal with the changing regional and global socioeconomic, environmental, and institutional context in Asia and the Pacific, and prioritize fostering regional cooperation for transboundary water management.	The water sector directional guide was published in November 2022. It promotes improved integrated water resources management.
<b>Regional Cooperation and Integration</b>	SWE ADB Energy Policy and Program, 2009–2019 (August 2020)	Place more emphasis on promoting a more active high-level engagement with DMCs in their energy sectors to help countries prepare their long-term sector plan, taking into consideration economic development, environmental sustainability, and energy security to maximize regional resources. ADB should act as a trusted broker for regional energy integration. It should support energy security through intensified policy dialogue to reduce political barriers, increase technical assistance to produce studies and draft policies and regulations for integrated energy networks, establish energy exchange markets, and provide coordinated infrastructure investments that interconnect countries and eventually regions.	A new Energy Policy was adopted in 2021. Its policy principle 4 was: ADB will promote regional energy cooperation and the integration of energy systems to strengthen energy security and increase cross-border access to cleaner energy sources.

ADB = Asian Development Bank, AP3F = Asia Pacific Project Preparation Facility, CCDRM = climate change disaster risk management, COVID-19 = coronavirus disease, CPS = country partnership strategy, DMC = developing member country, ESCAP = Economic and Social Commission for Asia and the Pacific, GMS = Greater Mekong Subregion, IED = Independent Evaluation Department, Lao PDR = Lao People’s Democratic Republic, NOM = new operating model, NSO = nonsovereign operations, OM = operations manual, OP = operational priority, OPPP = Office of Public–Private Partnership, PPP = public–private partnership, RCI = regional cooperation and integration, RY = reporting year, SASEC = South Asia Subregional Economic Cooperation, SDG = Sustainable Development Goal, SWE = sector-wide evaluation, UNDP = United Nations Development Program.

Source: Asian Development Bank (Independent Evaluation Department).



## APPENDIX 8: LIST OF LINKED DOCUMENTS

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**A. Sovereign Operations Performance**

<https://www.adb.org/sites/default/files/linked-documents/aer-2025-LD-A-Sovereign-Operations.pdf>

**B. Probit Analysis of Factors Affecting Sovereign and Nonsovereign Performance by Approval Year**

<https://www.adb.org/sites/default/files/linked-documents/aer-2025-LD-B-Probit-Analysis.pdf>

**C. Nonsovereign Operations Performance**

<https://www.adb.org/sites/default/files/linked-documents/aer-2025-LD-C-NSO-Performance.pdf>

**D. Technical Assistance Operations Performance**

<https://www.adb.org/sites/default/files/linked-documents/aer-2025-LD-D-TA-Operations.pdf>